

# C A L I F O R N I A

PERSONAL INCOME TAX BOOKLET

# 1 9 9 9

F O R M S & I N S T R U C T I O N S

# 540 540A 540EZ

Members of the Franchise Tax Board

Kathleen Connell, Chair

Johan Klehs, Member

B. Timothy Gage, Member

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This booklet contains:

**Form 540**, California Resident Income Tax Return

**Form 540A**, California Resident Income Tax Return

**Form 540EZ**, California Resident Income Tax Return  
for Single and Joint Filers with No Dependents

**Schedule CA (540)**, California Adjustments – Residents

**Schedule D**, California Capital Gain or Loss Adjustment

**FTB 3885A**, Depreciation and Amortization Adjustments

**FTB 3519**, Payment Voucher for Automatic Extension  
for Individuals



**State of California  
Franchise Tax Board**

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**The Census is Coming. Please Answer the Census by Mail.** Every 10 years the Census Bureau is required by the U.S. Constitution to count every person in the United States. In mid-March, you will be mailed the official census questionnaire, and April 1, 2000 is Census Day. Census information is 100% confidential. The Bureau is strictly prohibited from sharing information with any other individuals or organizations, public or private. Also, California communities could lose over \$3 billion in federal tax revenue during the next decade if Californians do not respond. Please mail back your census questionnaire promptly. For more information, visit the Census Bureau's website at: <http://www.census.gov>, or for information about temporary census jobs call (888) 325-7733.

# What's New for 1999?

## Differences Between California and Federal Law

In general, California tax law conforms to the Internal Revenue Code (IRC) as of January 1, 1998. However, there are continuing differences between California and federal tax law. California has not conformed to most of the changes made to the IRC by the federal Internal Revenue Service (IRS) Restructuring and Reform Act of 1998 (Public Law 105-206) and has not conformed to any of the changes made by the Tax and Trade Relief Extension Act of 1998 (Public Law 105-277). Specific areas of nonconformity are discussed in the affected tax forms instructions.

## 1999 Tax Law Changes

**Dependent Exemption Credit Change** – The 1999 dependent exemption credit amount is \$227 for each dependent.

**Filing Requirements Thresholds** – The filing thresholds now include the effect of senior exemptions and two dependent exemptions. See page 4.

**Figuring Exemption Credits Got Easier** – Exemption credits are no longer limited by tentative minimum tax. So, this year most people can figure exemption credits directly on Form 540A, line 18 or Form 540, line 21. Last year nearly a full page of instructions and two worksheets were required for this computation.

**IRC Section 179** – The California deduction is the same as the federal deduction which is \$19,000 for 1999.

**Self-employed Health Insurance** – The California deduction is the same as the federal deduction which is 60% of qualifying expense.

**New Voluntary Contribution Funds** – You may now make voluntary contributions to the California Peace Officer Memorial Foundation Fund and the Birth Defects Research Fund.

**Innocent Spouse Protections** – California now conforms, with modifications, to the innocent spouse provisions under the IRS Restructuring and Reform Act of 1998. See, "Innocent Spouse Relief" on page 56.

**Preparer Tax Identification Number (PTIN)** – California conforms to changes made by the IRS Restructuring and Reform Act of 1998, allowing tax preparers the option of using a unique identification number (PTIN) instead of a social security number when signing an individual's tax return.

## New Features

**Tax Tables to \$100,000** – To reduce the amount of math you have to do, the tax tables now cover taxable income amounts up to \$100,000.

**Direct Deposit of Refund** – Receiving a refund? Have your refund deposited directly into your bank account. Simply fill in your account information on Side 2 of your return. Or, if you file your return electronically, provide your bank account information with your tax information when you transmit your return to the FTB.

**Check Status of Your Refund** – You can check on the status of your refund over the Internet. Go to our website at: [www.ftb.ca.gov](http://www.ftb.ca.gov)

**Pay Your Taxes by Credit Card** – You can use your Discover/NOVUS, MasterCard, or American Express card to pay your personal income taxes, including estimated tax. There is a fee for using this service. See page 54.

## File From Home On Your Personal Computer

File your return using an on-line filing service. It's quick, easy, and completely safe. You can also request direct deposit of refund (or pay electronically, if you owe tax). See page 8 for more information.

## \$\$\$ for You

**Earned Income Credit (EIC)** – If you earned less than \$30,580 (less than \$10,200 if you do not have any qualifying children), you may be eligible to get the EIC to reduce the federal tax you owe, or get a refund if you do not owe any federal tax. Call the IRS at (800) 829-4477 and enter topic 601 when instructed, or see your federal income tax booklet for more information.

**Refund of Excess State Disability Insurance (SDI)** – You may be eligible for a refund of excess SDI if you had at least two employers during 1999 who **together** paid you more than \$31,767 in wages. See page 24 (instructions for Form 540A, line 27) or page 36 (instructions for Form 540, line 41) for more information.

**Homeowner and Renter Assistance (HRA)** – This California program reimburses qualifying homeowners and renters for a portion of the property tax they paid in the prior year. See page 56 for more information.



## Automated Toll-free Phone Service: (800) 338-0505

A phone symbol in the instructions means that you may get more information about the paragraph or line next to it. Call (800) 338-0505, select personal income tax, then select general information, follow the recorded instructions, and enter the three-digit number by the phone symbol.

## We Welcome Your Comments

Your comments and suggestions provide valuable input on how we can improve our products and services. In fact, we've made a number of changes this year to make tax preparation easier and quicker. For example, a number of tax forms are "fillable" online, meaning that you can go to our website and enter your information into the form before printing it out. To make it easier to calculate tax, we have expanded the tax tables to cover taxable income amounts of up to \$100,000. We are also offering direct deposit of refunds for both paper and electronic returns, because that's the fastest way for us to get your refund to you.

One of the primary goals of the Franchise Tax Board is to make it as easy as possible for you to do business with us. That is why we are always looking for ways to improve the products and services that we provide to you. You can help by sending me your comments and suggestions. Please write to me at:

**Mail:** GERALD GOLDBERG, EXECUTIVE OFFICER  
FRANCHISE TAX BOARD  
PO BOX 942840  
SACRAMENTO CA 94240-0040

**Email:** Go to [www.ftb.ca.gov](http://www.ftb.ca.gov) and select "Send email to the Executive Officer"

# Do I Have to File?

## Requirements for Most People

Read down the first column to find your filing status at the end of 1999. Read across to find your age at the end of 1999, and number of dependents you are entitled to claim for 1999. You must file a return if **either** your California gross income or your California adjusted gross income was more than the amount shown for your filing status, age, and number of dependents.



Even if you do not have to file a return, you should file one in order to get a refund if California state income tax was withheld from your pay, or if you made California estimated tax payments.

On 12/31/99, my filing status was:	and on 12/31/99, my age was:	California Gross Income <sup>1</sup>			California Adjusted Gross Income <sup>2</sup>		
		Dependents			Dependents		
		0	1	2 or more	0	1	2 or more
Single or Head of Household <sup>3</sup>	Under 65	10,899	18,466	24,141	8,719	16,286	21,961
	65 or older	14,499	20,174	24,714	12,319	17,994	22,534
Married filing joint or Married filing separate <sup>4</sup>	Under 65 (both spouses)	21,798	29,365	35,040	17,438	25,005	30,680
	65 or older (one spouse)	25,398	31,073	35,613	21,038	26,713	31,253
	65 or older (both spouses)	28,998	34,673	39,213	24,638	30,313	34,853
Qualifying widow(er)	Under 65		18,466	24,141		16,286	21,961
	65 or older		20,174	24,714		17,994	22,534
Dependent of another person – Any filing status	Under 65	More than your standard deduction <sup>5</sup>					
	65 or older	More than your standard deduction <sup>5</sup>					

<sup>1</sup> **California gross income** is all income you received in the form of money, goods, property, and services from all sources that is not exempt from tax. Gross income does not include any adjustments or deductions.

<sup>2</sup> **California adjusted gross income** is your federal adjusted gross income from all sources reduced or increased by all California income adjustments.

<sup>3</sup> See page 49.

<sup>4</sup> Income of both spouses must be combined; both spouses must file a return even if only one spouse had income over the amounts listed.

<sup>5</sup> Use the California Standard Deduction Worksheet for Dependents on page 23 to figure your standard deduction.

## Requirements for Children With Investment Income

California law is the same as federal law for the income of children under age 14. For each child under age 14 who received more than \$1,400 of investment income in 1999, get and complete Form 540 and form FTB 3800, Tax Computation for Children Under Age 14 with Investment Income, to figure the tax on a separate Form 540 for your child.

**Note:** If you qualify, you may elect to report your child's income of \$7,000 or less (but not less than \$700) on your return by completing form FTB 3803, Parents' Election to Report Child's Interest and Dividends. To make this election your child's income must be **only** from interest and/or dividends. See "Order Forms" on the back cover.

## Other Situations When You Must File

If you owe any of the following taxes for 1999, you must file Form 540.

- Tax on a lump-sum distribution;
- Tax on a qualified retirement plan, including an individual retirement arrangement (IRA) or on a medical savings account (MSA);
- Tax for children under age 14 who have investment income greater than \$1,400 (see paragraph above);
- Alternative minimum tax;
- Recapture taxes;
- Deferred tax on certain installment obligations; or
- Tax on an accumulation distribution of a trust.

# Which Form Should I Use?

**Were you a resident of California during the entire 1999 year?**

**Yes** If you are single or married filing a joint return, and you have no dependents, chances are good that you can use Form 540EZ. It's quick and easy! Check the chart below to see which form you should use.

**No** You must use Form 540NR. See "Order Forms" on the back cover for how to get the California Nonresident Income Tax Booklet.

	Form 540EZ	Form 540A	Form 540
<b>Filing Status</b>	Single or married filing joint, under 65 and not blind	Any filing status	Any filing status
<b>Dependents</b>	No dependents	All dependents you are entitled to claim	All dependents you are entitled to claim
<b>Amount of Income</b>	Taxable income \$50,000 or less	Federal adjusted gross income \$100,000 or less	Any amount of income
<b>Sources of Income</b>	Only income from: <ul style="list-style-type: none"> <li>• Wages, salaries, tips</li> <li>• Taxable interest of \$400 or less</li> <li>• Taxable scholarship or fellowship grants</li> <li>• Unemployment compensation reported on Form 1099-G</li> </ul>	Only income from: <ul style="list-style-type: none"> <li>• Wages, salaries, tips</li> <li>• Taxable scholarship fellowship grants</li> <li>• Interest and dividends</li> <li>• Unemployment compensation reported on Form 1099-G</li> <li>• Social security benefits</li> <li>• Tier 1 and tier 2 railroad retirement payments</li> <li>• Fully and partially taxable IRA distributions, pensions, and annuities</li> </ul>	All sources of income
<b>Adjustment to Income</b>	No adjustments to income	Allowed if the amount is the same as your federal adjustments to income	All adjustments to income
<b>Standard Deduction</b>	Allowed	Allowed	Allowed
<b>Itemized Deductions</b>	No itemized deductions	Allowed if the amount is the same as your federal itemized deductions (except for state, local, and foreign taxes paid)	All itemized deductions
<b>Payments</b>	Only withholding shown on Form(s) W-2	<ul style="list-style-type: none"> <li>• Withholding shown on Form(s) W-2, W-2G, and 1099-R</li> <li>• Estimated tax payments</li> <li>• Payments made with extension voucher</li> <li>• Excess State Disability Insurance (SDI) or Voluntary Plan Disability Insurance (VPDI)</li> </ul>	<ul style="list-style-type: none"> <li>• Withholding from all sources</li> <li>• Estimated tax payments</li> <li>• Payments made with extension voucher</li> <li>• Excess State Disability Insurance (SDI) or Voluntary Plan Disability Insurance (VPDI)</li> </ul>
<b>Tax Credits</b>	<ul style="list-style-type: none"> <li>• Personal exemption credit</li> <li>• Nonrefundable renter's credit</li> </ul>	<ul style="list-style-type: none"> <li>• Personal exemption credit</li> <li>• Senior exemption credit</li> <li>• Blind exemption credit</li> <li>• Dependent exemption credit</li> <li>• Nonrefundable renter's credit</li> </ul>	All tax credits
<b>Other Taxes</b>	Only tax computed using the tax table	Only tax computed using the tax table.	All taxes: <ul style="list-style-type: none"> <li>• Tax computed using the tax table or tax rate schedules</li> <li>• Alternative minimum tax</li> <li>• Tax on early distributions from IRAs or other qualified retirement plans</li> <li>• Tax on distributions from MSAs and education IRAs</li> <li>• Tax for children under age 14 who have investment income of more than \$1,400</li> <li>• Tax on lump-sum distributions</li> <li>• Recapture taxes</li> <li>• Deferred tax on certain installment obligations</li> <li>• Tax on accumulation distributions of trusts</li> </ul>

# Helpful Hints

## Filling in your return.

Tips on how you should fill in Form 540EZ, Form 540A, or Form 540:

- Use only black or blue ballpoint pen on the copy you send us.
- Enter your social security number(s) at the top of Form 540EZ, Form 540A, or Form 540, Side 1, Step 1a.
- Print all names and words in CAPITAL LETTERS.
- Print numbers inside boxes. Be sure to line up dollar amounts.
- Round cents to the nearest whole dollar. For example, round \$50.50 up to \$51 or round \$25.49 down to \$25.
- If you do not have an entry for a line, leave it blank unless the instructions for a line specifically tell you to enter zero. Do not enter a dash.
- Attach your label. If you don't have a label, fill in your name as in the following example:

Your first name	Initial	Last name
J O H N	A	D O E

Is your name or address too long to fit in the boxes provided? Do not shorten your name or address. Instead, ignore the boxes and fit the information in the space provided. **Example:** Jonathan A. Ziggzephyrstone would enter his name as follows:

Your first name	Initial	Last name
JONATHAN	A	ZIGGZEPHYRSTONE

## Verify Step 1, Step 1a, Step 2, and Step 3.

**Step 1:** Use your full legal name and complete address including ZIP Code.

Enter your private mailbox number in the field labeled "PMB no." if you lease the box from a private business rather than from the United States Postal Service.

**Step 1a:** Make sure that you entered your social security number and that it agrees with your social security card. If you file a joint return, make sure that you enter the social security numbers in the same order that your names are shown.

**Step 2:** Make sure that you meet all the requirements for your filing status. See page 21 for more information. If you believe that you qualify for the head of household filing status, please review the requirements on page 49 through page 52.

**Step 3:** Take your personal exemption credit to reduce your tax. See the instructions for Form 540EZ or Form 540A, line 18. Or see the instructions for Form 540, line 21.

## Check other areas.

**Federal Adjusted Gross Income:** Double-check that you correctly transferred your federal adjusted gross income from your federal TeleFile Tax Record, line I; or Form 1040EZ, line 4; or Form 1040A, line 18; or Form 1040, line 33.

**California Standard Deduction:** Make sure that you entered the California standard deduction amount and not the federal amount.

**Itemized Deductions:** Be sure that you reduced your federal itemized deductions by the amount of state and local income taxes you claimed on your federal Schedule A. Form 540 filers, use Schedule CA (540), Part II, on page 39. Form 540A filers, see page 23.

**Double-check your math:** Double-check each subtraction, addition, and any other calculation.

## Attachments to your return.

**Form(s) W-2, W-2G, and 1099-R:** Make sure to staple all the Form(s) W-2, W-2G, and 1099-R you received to the front of your return where it says "Attach copy of your Form(s) W-2 here." Also, attach any Form 1099 showing California income tax withheld ("backup withholding") on dividends and interest income.

**Check or money order:** Make your check or money order payable to the Franchise Tax Board. Write your social security number and "1999 Form 540EZ," "1999 Form 540A," or "1999 Form 540" on the check or money order, then see "Assembling your return" below.

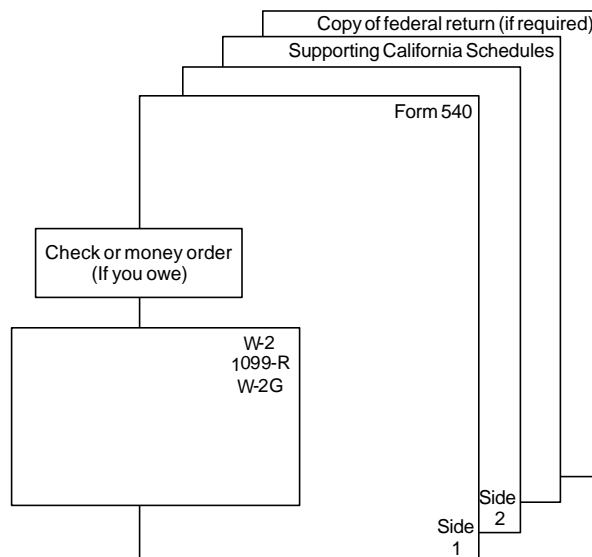
**Federal Form 1040:** Do not attach your federal return if you file Form 540EZ or Form 540A. If you file Form 540, did you attach any federal forms or schedules other than Schedule A or Schedule B to your federal Form 1040?

**No.** Do not attach Form 1040 to Form 540.

**Yes.** Attach a copy of Form 1040 and all supporting federal forms and schedules to Form 540.

## Assembling your return.

**Assemble your return in the order shown below.** See page 7 for where to mail your return.





## Tax Time Tips

### ✓ Tip Important due dates.

April 17, 2000	Last day to pay 1999 amount you owe to avoid penalties and interest.* See form FTB 3519 in this booklet for more information. <small>*If you are living or traveling outside the United States on April 17, 2000, the due dates for filing your return and paying your tax are different. See form FTB 3519 in this booklet for more information.</small>
October 16, 2000	Last day to file your 1999 return to avoid penalties and interest computed from the original due date of April 15, 2000. (Because April 15, 2000 is a Saturday, any payments mailed by the following business day, April 17, 2000, are credited as having been mailed on the original due date, April 15, 2000. Accordingly, any penalty applicable to the late filing of a return or a late payment is computed from the original April 15, 2000 due date.)
April 17, 2000 June 15, 2000 September 15, 2000 January 16, 2001	Due dates for 2000 estimated tax payments. Generally, you do not have to make estimated tax payments if your California withholding in each payment period is at least 1/4 of your required annual payment. Also, you do not have to make estimated tax payments if you will pay enough through withholding to keep the amount you owe with your return under \$200 (\$100 if married filing separate). However, if you do not pay enough tax either through withholding or by making estimated tax payments, you may have an underpayment penalty. Get Form 540-ES and instructions for more information.

### ✓ Tip Keep a copy of your return.

The Franchise Tax Board (FTB) may request information from you regarding your California income tax return within the California statute of limitations period, which is usually the later of four years from the due date of the return or the date the return is filed. Keep a copy of your return and the records that verify the income, deductions, adjustments, or credits reported on your return. Some records should be kept longer. For example, keep property records as long as they are needed to figure the basis of the property.

### ✓ Tip If you file electronically.

If you file your return electronically, make sure all the amounts entered on the paper copy of your California return are correct before you sign form FTB 8453, California Individual Income Tax Declaration for e-file. If you are requesting direct deposit of a refund, make sure that your account and routing information is correct. Your return can be transmitted to FTB by your preparer or electronic filing service only after you sign form FTB 8453. The preparer or electronic filing service must provide you with:

- A copy of form FTB 8453;
- Any original Form(s) W-2, W-2G, 1099-G, and 1099-R that you provided; and
- A paper copy of your California tax return showing the data transmitted to the FTB.

### ✓ Tip Mailing your return.

If you have a **refund** or **no amount due**:

FRANCHISE TAX BOARD  
PO BOX 942840  
SACRAMENTO CA 94240-0000

If you **owe**:

FRANCHISE TAX BOARD  
PO BOX 942867  
SACRAMENTO CA 94267-0001

# Have You Heard About Electronic Filing?

Electronic filing is the computer transmission of your return to the FTB.  
It's the fast, accurate way to file. Check out your electronic filing options below!

## Options



98% of taxpayers qualify to e-file. Visit your tax professional, request e-file and then relax. Your refund will be on its way in 10 days, or less. If you owe money, you can choose to use our e-pay option, credit card payment option, or pay by check or money order.



Certain private vendors are offering free on-line e-filing to qualified taxpayers. Check out our website to see if you can e-file for free!

[www.ftb.ca.gov](http://www.ftb.ca.gov)



TeleFile is for taxpayers that have taxable income of \$50,000 or less. If you qualify for TeleFile, you would have received a special tax booklet from us.

**Benefits** – *No matter which electronic filing option you choose, you can count on these benefits:*

### Fast Refunds

Direct Deposit refunds are in the bank in about 5-7 banking days. If you choose to receive a paper check, it will be in the mail in 7-10 days.

### Accurate Returns

e-file returns are calculated and checked by computer before they are transmitted to the FTB. Before we process them, we check them again. The result: e-file is the most accurate filing method.

### Receipt Confirmation

You don't have to wonder if the FTB has received your return. You or your tax professional will receive an electronic receipt which includes the date and time that the FTB received your return.



# California Resident Income Tax Return

## For Single and Joint Filers With No Dependents 1999

FORM  
**540EZ****Step 1**Place  
label here  
or printName  
and  
Address

Your first name		Initial	Last name	
If joint return, spouse's first name		Initial	Last name	
Present home address — number and street including PO Box or rural route			Apt. no.	PMB no.
City, town, or post office			State	ZIP Code

P  
AC  
A  
R  
RP**Step 1a**

SSN

Your social security number					Spouse's social security number				

**IMPORTANT:**  
Your social security number  
is required.**Step 2**Filing  
Status

Fill in the circle for your filing status.

- 1 ☐ Single      2 ☐ Married filing joint return (even if only one spouse had income)
- 6 If your parent (or someone else) can claim you (or your spouse, if married) as a dependent on his or her tax return, even if he or she chooses not to, fill in the circle here ☐ 6 ☐

**Step 3**Taxable  
IncomeAttach check  
or money  
order here.

12a State wages from your Form(s) W-2, box 17	12a						
12b Federal adjusted gross income from your TeleFile Tax Record, line 1; or Form 1040EZ, line 4; or Form 1040A, line 18; or Form 1040, line 33	12b						
13 Unemployment compensation from your federal TeleFile Tax Record, line D; or Form 1040EZ, line 3; or Form 1040A, line 12; or Form 1040, line 19	13						
14 Subtract line 13 from line 12b. This is your California adjusted gross income	14						
15 Did you fill in the circle on line 6? Yes. Complete the California Standard Deduction Worksheet for Dependents on Side 2, Part I. No. If single, enter \$2,711. If married filing joint, enter \$5,422	15						
16 Subtract line 15 from line 14. This is your taxable income. If it is more than \$50,000, STOP. You must use Form 540A or Form 540. If line 15 is more than line 14, enter -0-	16						

**Step 4**Tax and  
CreditsAttach copy  
of your  
Form(s) W-2  
here.

17 Tax. Use the amount on line 16 and your filing status in Step 2 to find your tax in the tax table. Enter the tax from the table on this line.	17						
18 Did you fill in the circle on line 6? Yes. Go to Side 2, Part II. No. If single, enter \$72. If married filing joint, enter \$144	18						
19 Nonrefundable renter's credit. See page 13	19						
20 Total credits. Add line 18 and line 19	20						
23 Subtract line 20 from line 17. This is your total tax. If less than zero, enter -0-	23						

**Step 5**Overpaid  
Tax or  
Tax Due

24 Enter your California income tax withheld from your Form(s) W-2, box 18. If line 24 is more than line 23, go to line 31. Otherwise, go to line 32	24						
31 Overpaid tax. If line 24 is more than line 23, subtract line 23 from line 24. Enter the result and go to line 34. If line 24 is less than line 23, enter -0- and go to line 32	31						
32 Tax due. If line 24 is less than line 23, subtract line 24 from line 23. Enter the result and go to line 34	32						

**Step 6**Refund or  
Amount  
You Owe

34 Total contributions. Enter amount from Side 2, Part III, line 13	34						
35 REFUND or NO AMOUNT DUE. Subtract line 34 from line 31. Enter the result here. Go to Side 2. See Part IV for direct deposit. See Part V to sign your return	35						
36 AMOUNT YOU OWE. Add line 32 and line 34. Enter the result here. Go to Side 2, Part V to sign your return	36						

## Part I

### California Standard Deduction Worksheet for Dependents

If you filled in the circle on Side 1, line 6 because someone can claim you (or your spouse, if married) as a dependent, even if that person chooses not to, complete this worksheet to figure the amount to enter on Side 1, line 15.

- 1 Enter your total wages, salaries, and tips from all your Form(s) W-2, box 1. (You may also refer to federal Form 1040EZ, line 1; Form 1040A, line 7; or Form 1040, line 7) ..... 1
- 2 ..... 2
- 3 Add line 1 and line 2. Enter total here ..... 3
- 4 Minimum standard deduction ..... 4
- 5 Compare the amounts on line 3 and line 4 above. Enter the LARGER of the two amounts here ..... 5
- 6 Maximum standard deduction: { If single, enter \$2,711  
If married filing joint, enter \$5,422 } ..... 6
- 7 **Standard deduction.** Compare the amounts on line 5 and line 6.  
Enter the SMALLER of the two amounts here and on Side 1, line 15 ..... 7

			2	5	0				
			7	0	0				

If you did not fill in the circle on Side 1, line 6 because no one can claim you (or your spouse, if married) as a dependent, and you are: { Single, enter \$2,711 on Side 1, line 15; **OR**  
Married filing joint, enter \$5,422 on Side 1, line 15.

## Part II

### Personal Exemption Chart for Dependents

If you (or your spouse, if married) can be claimed as a dependent, enter the following amount on line 18:

- If single, enter -0-.
- If married filing joint and both you and your spouse can be claimed as dependents, enter -0-.
- If married filing joint and only one of you can be claimed as a dependent, enter \$72.

## Part III

### Contributions

You may make a voluntary contribution of \$1 or more to the following funds:

- 1 Alzheimer's Disease/Related Disorders Fund ..... ◀ 48 ▶ 1
- 2 California Fund for Senior Citizens ..... ◀ 49 ▶ 2
- 3 Rare and Endangered Species Preservation Program ..... ◀ 50 ▶ 3
- 4 State Children's Trust Fund for the Prevention of Child Abuse ..... ◀ 51 ▶ 4
- 5 California Breast Cancer Research Fund ..... ◀ 52 ▶ 5
- 6 California Firefighters' Memorial Fund ..... ◀ 53 ▶ 6
- 7 California Public School Library Protection Fund ..... ◀ 54 ▶ 7
- 8 D.A.R.E. California (Drug Abuse Resistance Education) Fund ..... ◀ 55 ▶ 8
- 9 California Mexican American Veterans' Memorial ..... ◀ 56 ▶ 9
- 10 Emergency Food Assistance Program Fund ..... ◀ 57 ▶ 10
- 11 California Peace Officer Memorial Foundation Fund ..... ◀ 58 ▶ 11
- 12 Birth Defects Research Fund ..... ◀ 59 ▶ 12
- 13 **Total contributions.** Add line 1 through line 12. Enter here and on Side 1, line 34 ..... 13

										0	0
										0	0
										0	0
										0	0
										0	0
										0	0
										0	0
										0	0
										0	0
										0	0
										0	0
										0	0

## Part IV

### Direct Deposit Information

To have your refund directly deposited, fill in the boxes below. See page 15.

Routing number

Account type:

Checking ☐

Savings ☐

Account  
number

## Part V

### Sign Here

It is unlawful to  
forge a spouse's  
signature.

Under penalties of perjury, I declare that I have examined this return and to the best of my knowledge and belief, it is true, correct, and complete. 9

Your signature

Spouse's signature (if filing joint, both must sign)

Daytime phone number

X

X

Date

Paid preparer's signature (declaration of preparer is based on all information of which preparer has any knowledge)

Paid Preparer's SSN/FEIN/PTIN

Firm's name (or yours if self-employed)

Firm's address

### Where to Mail Your Return

**REFUND or NO AMOUNT DUE** (Side 1, line 35): **FRANCHISE TAX BOARD, PO BOX 942840, SACRAMENTO CA 94240-0000**

**AMOUNT DUE** (Side 1, line 36): **FRANCHISE TAX BOARD, PO BOX 942867, SACRAMENTO CA 94267-0001**

Make your check or money order payable to "Franchise Tax Board." Write your social security number and "1999 Form 540EZ" on your check or money order and attach it to your Form 540EZ. **Do not attach your federal return to this return.**

# California Resident Income Tax Return

## For Single and Joint Filers With No Dependents 1999

FORM  
**540EZ****Step 1**Place  
label here  
or printName  
and  
Address

Your first name		Initial	Last name	
If joint return, spouse's first name		Initial	Last name	
Present home address — number and street including PO Box or rural route			Apt. no.	PMB no.
City, town, or post office			State	ZIP Code

P

AC

A

R

RP

**Step 1a**

SSN

Your social security number									Spouse's social security number								

**IMPORTANT:**Your social security number  
is required.**Step 2**Filing  
Status

Fill in the circle for your filing status.

- 1 ☐ Single                      2 ☐ Married filing joint return (even if only one spouse had income)
- 6 If your parent (or someone else) can claim you (or your spouse, if married) as a dependent on his or her tax return, even if he or she chooses not to, fill in the circle here                      ● 6 ☐

**Step 3**Taxable  
IncomeAttach check  
or money  
order here.

12a State wages from your Form(s) W-2, box 17	● 12a						
12b Federal adjusted gross income from your TeleFile Tax Record, line 1; or Form 1040EZ, line 4; or Form 1040A, line 18; or Form 1040, line 33	12b						
13 Unemployment compensation from your federal TeleFile Tax Record, line D; or Form 1040EZ, line 3; or Form 1040A, line 12; or Form 1040, line 19	● 13						
14 Subtract line 13 from line 12b. This is your California adjusted gross income	● 14						
15 Did you fill in the circle on line 6? Yes. Complete the California Standard Deduction Worksheet for Dependents on Side 2, Part I. No. If single, enter \$2,711. If married filing joint, enter \$5,422	● 15						
16 Subtract line 15 from line 14. This is your taxable income. If it is more than \$50,000, STOP. You must use Form 540A or Form 540. If line 15 is more than line 14, enter -0-	16						

**Step 4**Tax and  
CreditsAttach copy  
of your  
Form(s) W-2  
here.

17 Tax. Use the amount on line 16 and your filing status in Step 2 to find your tax in the tax table. Enter the tax from the table on this line.	17						
18 Did you fill in the circle on line 6? Yes. Go to Side 2, Part II. No. If single, enter \$72. If married filing joint, enter \$144	18						
19 Nonrefundable renter's credit. See page 13	● 19						
20 Total credits. Add line 18 and line 19	20						
23 Subtract line 20 from line 17. This is your total tax. If less than zero, enter -0-	● 23						

**Step 5**Overpaid  
Tax or  
Tax Due

24 Enter your California income tax withheld from your Form(s) W-2, box 18. If line 24 is more than line 23, go to line 31. Otherwise, go to line 32	■ 24						
31 Overpaid tax. If line 24 is more than line 23, subtract line 23 from line 24. Enter the result and go to line 34. If line 24 is less than line 23, enter -0- and go to line 32	■ 31						
32 Tax due. If line 24 is less than line 23, subtract line 24 from line 23. Enter the result and go to line 34	32						

**Step 6**Refund or  
Amount  
You Owe

34 Total contributions. Enter amount from Side 2, Part III, line 13	● 34						
35 REFUND or NO AMOUNT DUE. Subtract line 34 from line 31. Enter the result here. Go to Side 2. See Part IV for direct deposit. See Part V to sign your return	■ 35						
36 AMOUNT YOU OWE. Add line 32 and line 34. Enter the result here. Go to Side 2, Part V to sign your return	■ 36						

# California Standard Deduction Worksheet for Dependents

If you filled in the circle on Side 1, line 6 because someone can claim you (or your spouse, if married) as a dependent, even if that person chooses not to, complete this worksheet to figure the amount to enter on Side 1, line 15.

- |          |  |          |
|----------|--|----------|
| <b>1</b> | Enter your total wages, salaries, and tips from all your Form(s) W-2, box 1. (You may also refer to federal Form 1040EZ, line 1; Form 1040A, line 7; or Form 1040, line 7) . . . . . | <b>1</b> |
| <b>2</b> | .....  | <b>2</b> |
| <b>3</b> | Add line 1 and line 2. Enter total here . . . . .  | <b>3</b> |
| <b>4</b> | Minimum standard deduction . . . . .   | <b>4</b> |
| <b>5</b> | Compare the amounts on line 3 and line 4 above. Enter the LARGER of the two amounts here . . . . .   | <b>5</b> |
| <b>6</b> | Maximum standard deduction: { If single, enter \$2,711<br>If married filing joint, enter \$5,422 } . . . . .   | <b>6</b> |
| <b>7</b> | <b>Standard deduction.</b> Compare the amounts on line 5 and line 6. Enter the SMALLER of the two amounts here and on Side 1, line 15 . . . . .                                      | <b>7</b> |

			2	5	0		
			7	0	0		

If you did not fill in the circle on Side 1, line 6 because no one can claim you (or your spouse, if married) as a dependent, and you are: **Single**, enter \$2,711 on Side 1, line 15; **OR** **Married filing joint**, enter \$5,422 on Side 1, line 15.

## Part II

## Personal Exemption Chart for Dependents

If you (or your spouse, if married) can be claimed as a dependent, enter the following amount on line 18:

- If single, enter -0-.
- If married filing joint and both you and your spouse can be claimed as dependents, enter -0-.
- If married filing joint and only one of you can be claimed as a dependent, enter \$72.

## Part III

## Contributions

You may make a voluntary contribution of \$1 or more to the following funds:

- |    |   |        |    |
|----|---|--------|----|
| 1  | Alzheimer's Disease/Related Disorders Fund  | ◀ 48 ▶ | 1  |
| 2  | California Fund for Senior Citizens   | ◀ 49 ▶ | 2  |
| 3  | Rare and Endangered Species Preservation Program  | ◀ 50 ▶ | 3  |
| 4  | State Children's Trust Fund for the Prevention of Child Abuse                             | ◀ 51 ▶ | 4  |
| 5  | California Breast Cancer Research Fund  | ◀ 52 ▶ | 5  |
| 6  | California Firefighters' Memorial Fund  | ◀ 53 ▶ | 6  |
| 7  | California Public School Library Protection Fund  | ◀ 54 ▶ | 7  |
| 8  | D.A.R.E. California (Drug Abuse Resistance Education) Fund                                | ◀ 55 ▶ | 8  |
| 9  | California Mexican American Veterans' Memorial  | ◀ 56 ▶ | 9  |
| 10 | Emergency Food Assistance Program Fund  | ◀ 57 ▶ | 10 |
| 11 | California Peace Officer Memorial Foundation Fund   | ◀ 58 ▶ | 11 |
| 12 | Birth Defects Research Fund   | ◀ 59 ▶ | 12 |
| 13 | <b>Total contributions.</b> Add line 1 through line 12. Enter here and on Side 1, line 34 |        | 13 |

[illegible]

## Part IV

## Direct Deposit Information

To have your refund directly deposited, fill in the boxes below. See page 15.

Routing number

--	--	--	--	--	--	--	--	--

Account type:

## Checking

11

## Savings

11

Account  
number[illegible]

## Part V

Under penalties of perjury, I declare that I have examined this return and to the best of my knowledge and belief, it is true, correct, and complete.

;

\_\_\_\_\_  
Your signature

Spouse's signature (if filing joint, both must sign)

Daytime phone number

$$( \begin{array}{|c|c|c|c|} \hline & & & \\ \hline \end{array} ) \begin{array}{|c|c|c|c|c|c|c|} \hline & & & + & & & \\ \hline \end{array}$$

X

X

Date \_\_\_\_\_

Paid preparer's signature (declaration of preparer is based on all information of which preparer has any knowledge)

Paid Preparer's SSN/FEIN/PTIN

[illegible]

Firm's name (or yours if self-employed)

Firm's address

**Sign Here**

It is unlawful to forge a spouse's signature.

## Where to Mail Your Return

**REFUND or NO AMOUNT DUE (Side 1, line 35): FRANCHISE TAX BOARD, PO BOX 942840, SACRAMENTO CA 94240-0000**

**AMOUNT DUE** (Side 1, line 36): **FRANCHISE TAX BOARD, PO BOX 942867, SACRAMENTO CA 94267-0001**

Make your check or money order payable to "Franchise Tax Board." Write your social security number and "1999 Form 540EZ" on your check or money order and attach it to your Form 540EZ. **Do not attach your federal return to this return.**

# Instructions for Form 540EZ, California Resident Income Tax Return

These instructions are based on the Internal Revenue Code (IRC) as of **January 1, 1998**, and the California Revenue and Taxation Code (R&TC).

## Before You Begin

You must complete your federal income tax return (Form 1040, Form 1040A, Form 1040EZ, or federal TeleFile Tax Record) before you begin your Form 540EZ. You will use the information you entered on your federal income tax return to complete your Form 540EZ.



You may qualify for the federal earned income credit. See page 3 for more information. There is no comparable state credit.

## Step 1 — Name and Address

If there is a label on the front of your booklet, attach the label to your return after you have completed it. Make sure that the information on your label is correct. Cross out any errors and print the correct information.

If there is no label on the front of your booklet, print your name and address in the spaces provided at the top of Form 540EZ. See page 6, Helpful Hints, "Filling in your return."

If you lease a mailbox from a private business, be sure to enter your mailbox number in the field labeled "PMB no."

## Step 1a — Social Security Number(s)

Enter your social security number(s) in the spaces provided. To protect your privacy, your social security number(s) are not printed on your label. If you file a joint return, show the social security numbers in the same order that you show both names. **Note:** If you do not have a social security number because you are a nonresident or resident alien for federal tax purposes, and the IRS issued you an Individual Taxpayer Identification Number (ITIN), enter the ITIN in the spaces for the social security number.

## Step 2 — Filing Status

Your filing status for California must be the same as the filing status you used on your federal income tax return. If it is not, you cannot use Form 540EZ. See the instructions for Form 540A beginning on page 21.

### Line 1 — Single

You may fill in the circle on line 1 if **any** of the following was true on December 31, 1999:

- You were never married;
- You were legally separated under a decree of divorce or of separate maintenance; or
- You were widowed before January 1, 1999, and did not remarry in 1999.

### Line 2 — Married Filing Joint Return

You may fill in the circle on line 2 if **any** of the following is true:

- You were married as of December 31, 1999, even if you did not live with your spouse at the end of 1999;
- Your spouse died in 1999 and you did not remarry in 1999; or
- Your spouse died in 2000 before filing a 1999 return.

### Line 6 — Can be Claimed as Dependent

Fill in the circle on line 6 if your parent (or someone else) can claim you as a dependent on his or her tax return.

## Step 3 — Taxable Income

Please round cents to the nearest whole dollar. See page 6 for information on rounding.

### Line 12a — State Wages

Enter the total amount of your state wages from all states from each of your Form(s) W-2. This amount should be on Form W-2, box 17.

### Line 12b — Federal Adjusted Gross Income

Enter the adjusted gross income from your federal TeleFile Tax Record, line I; or Form 1040EZ, line 4; or Form 1040A, line 18; or Form 1040, line 33.

### Line 13 — Unemployment Compensation

Enter the amount of any unemployment compensation shown on your federal TeleFile Tax Record, line D; or Form 1040EZ, line 3; or Form 1040A, line 12; or Form 1040, line 19.

### Line 14 — California Adjusted Gross Income

Subtract line 13 from line 12b.

### Line 15 — Standard Deduction

Did you fill in the circle on line 6 because your parent (or someone else) can claim you on his or her return?

- Yes** Complete the California Standard Deduction Worksheet for Dependents on Form 540EZ, Side 2.
- No** If single, enter \$2,711.  
If married filing joint, enter \$5,422.

## Step 4 — Tax and Credits

First figure your tax, then make sure you qualify to claim your credits.

### Line 17 — Tax

To figure your tax on the amount shown on line 16, you must use the tax tables beginning on page 57. If you are single, use the column for filing status 1. If you are married, use the column for filing status 2.

### Line 18 — Personal Exemption Credit

Did you fill in the circle on line 6?

- Yes** Go to the Personal Exemption Chart for Dependents on Form 540EZ, Side 2.
- No** If single, enter \$72. If married filing joint, enter \$144.

### Line 19 — Nonrefundable Renter's Credit

Did you pay rent for at least 6 months in 1999 on your principal residence located in California?

- Yes** You may qualify to claim this credit which may reduce your tax. Complete the qualification record on page 16.
- No** Go to line 20.

## Step 5 — Overpaid Tax or Tax Due

To avoid a delay in the processing of your return, be sure you enter the correct amounts on line 24 through line 32.

### Line 24 — California Income Tax Withheld

Enter the total amount of California income tax withheld from each of your Form(s) W-2. This amount should be shown on Form W-2, box 18. Do not include any amount of local income tax withheld or tax withheld by another state.



601





If you did not receive a Form W-2 from your employer, see the instructions for "Sign Your Return" on page 15.

**Note:** If you had two or more employers during 1999, who together paid you more than \$31,767 in wages and withheld more than \$158.84 of California State Disability Insurance (SDI) or Voluntary Plan Disability Insurance (VPDI), you may be entitled to a credit for excess SDI. In that case, you must use Form 540A. See page 24, line 27, for more information.

### Line 31 – Overpaid Tax

Is the amount on line 24 more than the amount on line 23?

**No** Enter zero and go to line 32.

**Yes** Your payments and credits are more than your tax. Subtract the amount on line 23 from the amount on line 24. Enter the result on line 31. Go to line 34.

### Line 32 – Tax Due

Is the amount on line 24 less than the amount on line 23?

**No** Enter zero and go to line 34.

**Yes** Your tax is more than the total of your payments and credits. Subtract the amount on line 24 from the amount on line 23. Enter the result on line 32.

There is a penalty for not paying enough tax during the year. You may have to pay a penalty if the:

- Tax due on line 32 is \$200 or more; and
- California income tax withheld on line 24 is less than 80% of the amount of your total tax on line 23.

If you owe a penalty, the Franchise Tax Board will figure the penalty and send you a bill.

You may add contributions to the tax due. You must pay the full amount of tax due, including voluntary contributions, when you file your Form 540EZ.

## Step 6 — Refund or Amount You Owe

Be sure to add or subtract correctly to figure the amount of your refund or the amount you owe.

### Contributions

You may make voluntary contributions of \$1 or more in whole dollar amounts. If you make a voluntary contribution, you must complete Form 540EZ, Side 2, Part III. You may contribute only to the funds listed in Part III and cannot change the amount you contributed after you file your return.

### Side 2, Part III – Contributions

#### Line 1 – Alzheimer's Disease/Related Disorders Fund

Contributions entered on line 1 will be used to conduct a program for researching the cause and cure of Alzheimer's disease and related disorders and research into the care and treatment of persons suffering from dementing illnesses.

#### Line 2 – California Fund for Senior Citizens

Contributions entered on line 2 will provide for Senior Citizens Adult Day Health Care Centers, nutrition centers, respite care, long-term care, senior citizen abuse prevention programs, Alzheimer day care programs, and the California Senior Legislature (CSL). The CSL are volunteers who prioritize statewide requirements of seniors and propose legislation in areas of health, housing, transportation, and community services. Any excess contributions not required by the CSL will be distributed to senior citizen service organizations throughout California.

### Line 3 – Rare and Endangered Species Preservation Program

Contributions entered on line 3 will be used to help protect and conserve California's many threatened and endangered species and the wild lands that they need to survive, for the enjoyment and benefit of you and future generations of Californians.

### Line 4 – State Children's Trust Fund for the Prevention of Child Abuse

Contributions entered on line 4 will be used to fund programs for the prevention, intervention, and treatment of child abuse and neglect.

### Line 5 – California Breast Cancer Research Fund

Contributions entered on line 5 will be used to conduct research relating to the prevention, screening, cure, and treatment of breast cancer.

### Line 6 – California Firefighters' Memorial Fund

Contributions entered on line 6 will be used for the construction of a memorial on the grounds of the State Capitol honoring the hundreds of firefighters who have died protecting our neighborhoods, our homes, our families, and our dreams. These brave men and women answered the call when fire alarms sounded or when paramedic services were needed, and their sacrifices and the sacrifices of their families deserve to be remembered.

### Line 7 – California Public School Library Protection Fund

Contributions entered on line 7 will be expended for the purchase of books and other library resources through grants awarded for implementing a school library improvement plan.

### Line 8 – D.A.R.E. California (Drug Abuse Resistance Education) Fund

Contributions entered on line 8 will be used to support local D.A.R.E. programs and provide proven effective, in-classroom anti-drug, anti-gang, and anti-violence education for California school children.

### Line 9 – California Mexican American Veterans' Memorial

Contributions entered on line 9 will be used to pay for the construction, beautification, enhancement, maintenance, or repair of the California Mexican American Veterans' Memorial.

### Line 10 – Emergency Food Assistance Program Fund

Contributions entered on line 10 will be used to help local food banks feed California's hungry. Your contribution will fund the purchase of much-needed food for delivery to food banks, pantries, and soup kitchens throughout the state. The State Department of Social Services will monitor its distribution to ensure the food is given to those most in need.

### Line 11 – California Peace Officer Memorial Foundation Fund

Contributions entered on line 11 will permit the Foundation to preserve the memory of our fallen comrades by maintaining a Memorial on State Capitol grounds, and updating it annually to memorialize officers killed in the line of duty each year. Beginning with California statehood, peace officers have laid their lives on the line to protect law-abiding citizens. Since then over 1,300 courageous peace officers have fallen in the line of duty. The California Peace Officer Memorial Foundation is a non-profit charitable organization committed to honoring those heroes by assisting their survivors by offering moral support, counseling, and financial support, including academic scholarships for the children of those



officers who have made the supreme sacrifice. On behalf of all of us and the law-abiding citizens of California we thank you for your participation.

#### Line 12 – Birth Defects Research Fund

Contributions entered on line 12 will be used to find causes of birth defects, which strike 1 of every 33 babies born each year. Birth defects are the leading cause of death and disability in children, yet in most cases, we don't know why they happen. Give now and help wipe out birth defects in our lifetime.

#### Line 13 – Total Contributions

Add all contributions you entered on line 1 through line 12. Enter the result on Side 2, Part III, line 13, and Side 1, line 34.

## Step 6 (continued)

#### Line 34 – Total Contributions

Did you make any voluntary contribution on Form 540EZ, Side 2, Part III?

- Yes** Enter the amount of your total contributions from Part III, line 13. Then go to line 35.
- No** Leave this line blank. If you entered an amount on:
- Line 31, go to line 35.
  - Line 32, go to line 36.

#### Line 35 – Refund Or No Amount Due

Did you enter an amount on line 34?

- No** Enter the amount from line 31 on line 35. This is the amount that will be refunded to you. If it is less than \$1, you must attach a written request to your Form 540EZ to receive the refund. If you would like direct deposit of your refund, go to Part IV, Direct Deposit of Refund, then go to Part V, Sign Your Return.
- Yes** Go to the next question.

Is line 31 more than line 34?

- Yes** Subtract line 34 from line 31. Enter the result on line 35. To have your refund directly deposited into your bank account, go to Part IV, Direct Deposit of Refund, then go to Part V, Sign Your Return.
- No** Do not enter an amount on line 35. Go to line 36.

#### Line 36 – Amount You Owe

Did you enter an amount on line 34?

- No** Enter the amount from line 32 on line 36.
- Yes** If you entered an amount on:
- Line 32, add the amounts on line 32 and line 34 and enter the result on line 36.
  - Line 31, subtract the amount on line 31 from the amount on line 34 and enter the result on line 36.

**Paying by Check or Money Order** – Make your check or money order payable to the “Franchise Tax Board” for the full amount you owe. Do not send cash. Be sure to write your social security number and “1999 Form 540EZ” on your check or money order. Attach your check or money order to your return. See page 6, Helpful Hints, “Assembling your return.” A penalty may be imposed if your check is returned by your bank for insufficient funds.

**Paying by Credit Card** – For information about paying using your Discover/NOVUS, MasterCard, or American Express card, see page 54.

To avoid a late filing penalty, file your Form 540EZ by the due date even if you cannot pay the amount you owe. If you cannot pay the full amount shown on line 36 with your

return, you may request to make monthly payments. See page 55, Question 4.

## Part IV — Direct Deposit of Refund

It's fast, safe, and convenient to have your refund directly deposited into your bank account.

The following illustration shows which bank numbers to transfer to the preprinted boxes on Form 540EZ, Side 2, Part IV.



**Tip**

Do not use a deposit slip to find the bank numbers. Contact your financial institution for assistance in getting the correct routing number.

## Part V — Sign Your Return

You must sign your return in the space provided on Side 2. If you file a joint return, your spouse must sign it also.

**Paid Preparer's Information** – If you pay a person to prepare your California income tax return, that person must sign and complete the area at the bottom of Side 2, including an identification number (social security number, FEIN, or PTIN). A paid preparer must give you two copies of your return: one copy to file with the Franchise Tax Board and one to keep for your records.

**Check Your Social Security Number(s)** – Make sure that you have written your social security number(s) in the spaces provided at the top of Form 540EZ in Step 1a.

**Attach Your Form(s) W-2 To Your Return** – You must attach Copy 2 of all Form(s) W-2 to the front of your return. If you do not receive your Form(s) W-2 by January 31, 2000, contact your employer. Only your employer can issue or correct a Form W-2.

If you cannot get a copy of your Form W-2, you must complete form FTB 3525, Substitute for Form W-2, Wage and Tax Statement, or Form 1099-R, Distributions from Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc. See “Order Forms” on the back cover.

If you forget to send your Form(s) W-2 with your income tax return, do not send it separately. Wait until the Franchise Tax Board requests it from you.

**Important:** Do not attach a copy of your federal income tax return to your Form 540EZ.

#### Mailing Addresses

If you have a refund or no amount due, mail your return to:

FRANCHISE TAX BOARD  
PO BOX 942840  
SACRAMENTO CA 94240-0000

If you owe, mail your return to:

FRANCHISE TAX BOARD  
PO BOX 942867  
SACRAMENTO CA 94267-0001



207



204



613



202



611

# Nonrefundable Renter's Credit Qualification Record

If you were a resident of California and paid rent on property in California which was your principal residence, you may qualify for a credit that you can use to reduce your tax. Answer the questions below to see if you qualify.

**1. Were you a resident<sup>1</sup> of California for the entire year in 1999?**

**YES** Go to the next question.

**NO** Stop. File Form 540NR, California Nonresident or Part-Year Resident Income Tax Return. See the back cover for information on ordering forms.

**2. Is the amount on Form 540EZ or Form 540A, line 14; or Form 540, line 17:**

- \$25,650 or less if single or married filing separate; or
- \$51,300 or less if married filing joint, head of household, or qualifying widow(er)?

**YES** Go to the next question.

**NO** Stop here. You do not qualify for this credit.

**3. Did you pay rent, for at least half of 1999, on property (including a mobile home that you owned on rented land) in California which was your principal residence?**

**YES** Go to the next question.

**NO** Stop here. You do not qualify for this credit.

**4. For more than half the year, did you live with, or were you a minor under the care of a parent, foster parent, or legal guardian who claimed you as a dependent in 1999?**

**NO** Go to the next question.

**YES** Stop here. You do not qualify for this credit.

**5. Was the property you rented exempt<sup>2</sup> from property tax in 1999?**

**NO** Go to the next question.

**YES** Stop here. You do not qualify for this credit.

**6. Did you or your spouse claim the homeowner's property tax exemption<sup>3</sup> anytime during 1999?**

**NO** Skip question 7 and answer question 8.

**YES** Go to question 7.

**7. Did you and your spouse maintain separate residences for the entire year in 1999?**

**YES** The spouse that answered "yes" to question 6 may not claim this credit. If the other spouse alone could have answered "no" to question 6, that person qualifies for the credit. Enter \$60 on line 8 below and on Form 540EZ or Form 540A, line 19; or Form 540, line 31.

**NO** Stop here. You do not qualify for this credit.

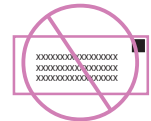
**8. If you are:**

- Single, or married filing separate<sup>4</sup> enter \$60 below and on Form 540EZ or Form 540A, line 19; or Form 540, line 31.
- Married filing joint, head of household, or qualifying widow(er), enter \$120 below and on Form 540EZ or Form 540A, line 19; or form 540, line 31.

\$ \_\_\_\_\_

Fill in the street address(es) and landlord information below for the residence(s) you rented in California during 1999 which qualified you for this credit.

Do Not Mail This Record



Street Address	City, State, and ZIP Code	Dates Rented in 1999 (From _____ to _____)
a _____		
b _____		

Enter the name, address, and telephone number of your landlord(s) or the person(s) to whom you paid rent for the residence(s) listed above.

Name	Street Address	City, State, ZIP Code, and Telephone Number
a _____		
b _____		

<sup>1</sup> Military personnel. If you are not a legal resident of California, you do not qualify for this credit. However, your spouse may claim this credit if he or she was a resident, did not live in military housing during 1999, and is otherwise qualified.

<sup>2</sup> Property exempt from property taxes. You do not qualify for this credit if, for more than half of the year, you rented property that was exempt from property taxes. Exempt property includes most government-owned buildings, church-owned parsonages, college dormitories, and military barracks. However, if you or your landlord paid possessory interest taxes for the property you rented, then you may claim this credit.

<sup>3</sup> Homeowner's property tax exemption. You do not qualify for this credit if you or your spouse received a homeowner's property tax exemption at any time during the year. However, if you lived apart from your spouse for the entire year and your spouse received a homeowner's property tax exemption for a separate residence, then you may claim this credit if you are otherwise qualified.

<sup>4</sup> Married filing separate returns. If you and your spouse file separate returns, lived in the same rental property and both qualify for this credit, one spouse may claim the full amount of this credit (\$120), or each spouse may claim half of the amount (\$60 each).

# California Resident Income Tax Return 1999

FORM  
**540A**

## Step 1

Place  
label here  
or printName  
and  
Address

Your first name		Initial	Last name		
If joint return, spouse's first name		Initial	Last name		
Present home address — number and street including PO Box or rural route				Apt. no.	PMB no.
City, town, or post office				State	ZIP Code

P  
AC  
A  
R  
RP

## Step 1a SSN

Your social security number									Spouse's social security number													

**IMPORTANT:**  
Your social security number  
is required.

## Step 2

Filing Status

Fill in only one.

- 1 ☐ Single      2 ☐ Married filing joint return (even if only one spouse had income)  
3 ☐ Married filing separate return. Enter spouse's social security number above and full name here \_\_\_\_\_  
4 ☐ Head of household (with qualifying person). STOP. See page 21.  
5 ☐ Qualifying widow(er) with dependent child. Enter year spouse died 19 \_\_\_\_\_.

## Step 3

Exemptions

Attach check or  
money order here.

- 6 If your parent, (or someone else) can claim you (or your spouse, if married) as a dependent on his or her tax return, even if he or she chooses not to, fill in this circle ..... ● 6 ☐  
► For line 7, line 8, line 9, and line 11: Multiply the amount you enter in the box by the pre-printed dollar amount for that line.  
7 **Personal:** If you filled in 1, 3, or 4 above, enter 1 in the box. If you filled in 2 or 5, enter 2 in the box. If you filled in the circle on line 6, see page 22 ..... 7 ☐ X \$72 = \$ \_\_\_\_\_  
8 **Blind:** If you (or if married, your spouse) are visually impaired, enter 1; if both, enter 2 ..... 8 ☐ X \$72 = \$ \_\_\_\_\_  
9 **Senior:** If you (or if married, your spouse) are 65 or older, enter 1; if both, enter 2 ..... ● 9 ☐ X \$72 = \$ \_\_\_\_\_  
10 Add line 7 through line 9. This is your total exemption credit before the dependent exemption credit ..... 10 **Total** \$ \_\_\_\_\_  
11 **Dependents:** Enter name and relationship. Do not include yourself or your spouse.  
\_\_\_\_\_ Total dependent exemption credit ..... 11 ☐ X \$227 = \$ \_\_\_\_\_

Dependent  
Exemptions

## Step 4

Taxable  
IncomeAttach copy of your  
Form(s) W-2, W-2G,  
1099-R, and other  
Forms 1099 showing  
California tax withheld.

- 12 a State wages from your Form(s) W-2, box 17 ..... ● 12a \_\_\_\_\_  
12 b Enter federal adjusted gross income from your TeleFile Tax Record, line I; Form 1040EZ, line 4;  
Form 1040A, line 18; or Form 1040, line 33. (If over \$100,000, STOP; you must file Form 540) ..... 12b \_\_\_\_\_  
13 Total California income adjustments. Enter the amount from Side 2, Part I, line 7 ..... ● 13 \_\_\_\_\_  
14 Subtract line 13 from line 12b. This is your California adjusted gross income. See page 23 ..... ● 14 \_\_\_\_\_  
15 Enter the **larger** of your CA **itemized deductions** OR your CA **standard deduction**. See page 23 ..... ● 15 \_\_\_\_\_  
16 Subtract line 15 from line 14. This is your taxable income. If less than zero, enter -0- ..... 16 \_\_\_\_\_

## Step 5

Tax and  
Credits

- 17 Tax. Use the tax table to find the tax on the amount shown on line 16 ..... 17 \_\_\_\_\_  
18 Exemption credits. Add line 10 and line 11. Enter the result here ..... 18 \_\_\_\_\_  
19 Nonrefundable renter's credit. See page 23 ..... ● 19 \_\_\_\_\_  
20 Total credits. Add line 18 and line 19 ..... 20 \_\_\_\_\_  
23 Subtract line 20 from line 17. This is your total tax. If less than zero, enter -0- ..... ● 23 \_\_\_\_\_

## Step 6

Overpaid  
Tax or  
Tax Due

- 24 California income tax withheld. See page 24 ..... ■ 24 \_\_\_\_\_  
25 1999 California estimated tax and payment with form FTB 3519 ..... ■ 25 \_\_\_\_\_  
27 Excess SDI. See page 24 ..... ■ 27 \_\_\_\_\_  
28 Total payments and credits. Add line 24, line 25, and line 27 ..... 28 \_\_\_\_\_  
29 Overpaid tax. If line 28 is more than line 23, subtract line 23 from line 28 ..... 29 \_\_\_\_\_  
30 Enter the amount of line 29 you want applied to your 2000 estimated tax ..... ■ 30 \_\_\_\_\_  
31 Overpaid tax available this year. Subtract line 30 from line 29 ..... ■ 31 \_\_\_\_\_  
32 Tax due. If line 28 is less than line 23, subtract line 28 from line 23 ..... 32 \_\_\_\_\_

## Step 7

Refund or  
Amount  
You Owe

- 34 Total contributions. Enter amount from Side 2, Part II, line 14 ..... ● 34 \_\_\_\_\_  
35 Subtract line 34 from line 31. You have a **REFUND** or **NO AMOUNT DUE**.  
Enter the result here. See Part III for direct deposit. See Part IV to sign your return ..... ■ 35 \_\_\_\_\_  
36 Add line 32 and line 34. This is the **AMOUNT YOU OWE**. Enter the result here.  
See Side 2, Part IV to sign your return. ..... ■ 36 \_\_\_\_\_  
37 Underpayment of estimated tax. If form FTB 5805 is attached, fill in this circle ..... ☐ ■ 37 \_\_\_\_\_  
38 If you do not need California income tax forms mailed to you next year, fill in this circle ..... ● 38 ☐

## Part I

### California Income Adjustments

See instructions

1	State income tax refund adjustment (from Form 1040, line 10). See page 22	1	
2	Unemployment compensation adjustment (from federal TeleFile Tax Record, line D; Form 1040EZ, line 3; Form 1040A, line 12; or Form 1040, line 19). See page 22	2	
3	Social security benefits adjustment or tier 1 and tier 2 railroad retirement benefits adjustment. See page 22	3	
4	California nontaxable interest or dividend income adjustment. See page 22	4	
5	California IRA distributions adjustment. See page 22	5	
6	California pensions and annuities adjustment. See page 23	6	
7	<b>Total California income adjustments.</b> Add line 1 through line 6. Enter here and on Side 1, line 13	7	

## Part II

### Contributions

1	Contribution to California Seniors Special Fund. See page 25	◀ 47 ▶	1	
<b>You may make a contribution of \$1 or more to the following funds:</b>				
2	Alzheimer's Disease/Related Disorders Fund	◀ 48 ▶	2	00
3	California Fund for Senior Citizens	◀ 49 ▶	3	00
4	Rare and Endangered Species Preservation Program	◀ 50 ▶	4	00
5	State Children's Trust Fund for the Prevention of Child Abuse	◀ 51 ▶	5	00
6	California Breast Cancer Research Fund	◀ 52 ▶	6	00
7	California Firefighters' Memorial Fund	◀ 53 ▶	7	00
8	California Public School Library Protection Fund	◀ 54 ▶	8	00
9	D.A.R.E. California (Drug Abuse Resistance Education) Fund	◀ 55 ▶	9	00
10	California Mexican American Veterans' Memorial	◀ 56 ▶	10	00
11	Emergency Food Assistance Program Fund	◀ 57 ▶	11	00
12	California Peace Officer Memorial Foundation Fund	◀ 58 ▶	12	00
13	Birth Defects Research Fund	◀ 59 ▶	13	00
14	<b>Total contributions.</b> Add line 1 through line 13. Enter here and on Side 1, line 34		14	

## Part III

### Direct Deposit Information

To have your refund directly deposited, fill in the boxes below. See page 26.

Routing number	
Account type:	
Checking <input type="checkbox"/> Savings <input type="checkbox"/>	Account number

## Part IV

### Sign Here

It is unlawful to forge a spouse's signature.

Under penalties of perjury, I declare that I have examined this return and to the best of my knowledge and belief, it is true, correct, and complete.		9
Your signature	Spouse's signature (if filing joint, both must sign)	Daytime phone number
X	X	( ) +
Paid preparer's signature (declaration of preparer is based on all information of which preparer has any knowledge)		Date
		Paid Preparer's SSN/FEIN/PTIN
Firm's name (or yours if self-employed)		Firm's address

Joint return?  
See page 26.

### Where to Mail Your Return

**REFUND or NO AMOUNT DUE** (Side 1, line 35):

**FRANCHISE TAX BOARD**  
**PO BOX 942840**  
**SACRAMENTO CA 94240-0000**

**AMOUNT DUE** (Side 1, line 36):

**FRANCHISE TAX BOARD**  
**PO BOX 942867**  
**SACRAMENTO CA 94267-0001**

- Make your check or money order payable to "Franchise Tax Board."
- Write your social security number and "1999 Form 540A" on your check or money order.
- Attach check or money order to your Form 540A.

✓ **Keep a copy of this signed return with your tax records for four years from the due date for filing your return.**

- Be sure to file your return by April 17, 2000.
- Be sure to enter your social security number(s) in Step 1a.
- If you cannot file your return by April 17, 2000, and owe tax, be sure to complete form FTB 3519, Payment Voucher for Automatic Extension for Individuals, and pay the amount you owe by April 17, 2000, to avoid late payment penalties and interest.
- Use the preprinted label if you received one. If the information is not correct, make the necessary corrections in ink.
- **Do not attach your federal return to this return.**

# California Resident Income Tax Return 1999

FORM  
**540A**

## Step 1

Place  
label here  
or print

Name  
and  
Address

Your first name		Initial	Last name		
If joint return, spouse's first name		Initial	Last name		
Present home address — number and street including PO Box or rural route				Apt. no.	PMB no.
City, town, or post office				State	ZIP Code

P  
AC  
A  
R  
RP

## Step 1a SSN

Your social security number									Spouse's social security number													

**IMPORTANT:**  
Your social security number  
is required.

## Step 2

### Filing Status

Fill in only one.

- 1 ☐ Single      2 ☐ Married filing joint return (even if only one spouse had income)  
3 ☐ Married filing separate return. Enter spouse's social security number above and full name here \_\_\_\_\_  
4 ☐ Head of household (with qualifying person). STOP. See page 21.  
5 ☐ Qualifying widow(er) with dependent child. Enter year spouse died 19 \_\_\_\_\_.

## Step 3

### Exemptions

Attach check or  
money order here.

- 6 If your parent, (or someone else) can claim you (or your spouse, if married) as a dependent on his or her tax return, even if he or she chooses not to, fill in this circle ..... ● 6 ☐  
► For line 7, line 8, line 9, and line 11: Multiply the amount you enter in the box by the pre-printed dollar amount for that line.  
7 **Personal:** If you filled in 1, 3, or 4 above, enter 1 in the box. If you filled in 2 or 5, enter 2 in the box. If you filled in the circle on line 6, see page 22 ..... 7 ☐ X \$72 = \$ \_\_\_\_\_  
8 **Blind:** If you (or if married, your spouse) are visually impaired, enter 1; if both, enter 2 ..... 8 ☐ X \$72 = \$ \_\_\_\_\_  
9 **Senior:** If you (or if married, your spouse) are 65 or older, enter 1; if both, enter 2 ..... ● 9 ☐ X \$72 = \$ \_\_\_\_\_  
10 Add line 7 through line 9. This is your total exemption credit before the dependent exemption credit ..... 10 **Total** \$ \_\_\_\_\_  
11 **Dependents:** Enter name and relationship. Do not include yourself or your spouse.  
\_\_\_\_\_ Total dependent exemption credit ..... 11 ☐ X \$227 = \$ \_\_\_\_\_

### Dependent Exemptions

## Step 4

### Taxable Income

Attach copy of your  
Form(s) W-2, W-2G,  
1099-R, and other  
Forms 1099 showing  
California tax withheld.

- 12 a State wages from your Form(s) W-2, box 17 ..... ● 12a \_\_\_\_\_  
12 b Enter federal adjusted gross income from your TeleFile Tax Record, line I; Form 1040EZ, line 4;  
Form 1040A, line 18; or Form 1040, line 33. (If over \$100,000, STOP; you must file Form 540) ..... 12b \_\_\_\_\_  
13 Total California income adjustments. Enter the amount from Side 2, Part I, line 7 ..... ● 13 \_\_\_\_\_  
14 Subtract line 13 from line 12b. This is your California adjusted gross income. See page 23 ..... ● 14 \_\_\_\_\_  
15 Enter the **larger** of your CA **itemized deductions** OR your CA **standard deduction**. See page 23 ..... ● 15 \_\_\_\_\_  
16 Subtract line 15 from line 14. This is your taxable income. If less than zero, enter -0- ..... 16 \_\_\_\_\_

## Step 5

### Tax and Credits

- 17 Tax. Use the tax table to find the tax on the amount shown on line 16 ..... 17 \_\_\_\_\_  
18 Exemption credits. Add line 10 and line 11. Enter the result here ..... 18 \_\_\_\_\_  
19 Nonrefundable renter's credit. See page 23 ..... ● 19 \_\_\_\_\_  
20 Total credits. Add line 18 and line 19 ..... 20 \_\_\_\_\_  
23 Subtract line 20 from line 17. This is your total tax. If less than zero, enter -0- ..... ● 23 \_\_\_\_\_

## Step 6

### Overpaid Tax or Tax Due

- 24 California income tax withheld. See page 24 ..... ■ 24 \_\_\_\_\_  
25 1999 California estimated tax and payment with form FTB 3519 ..... ■ 25 \_\_\_\_\_  
27 Excess SDI. See page 24 ..... ■ 27 \_\_\_\_\_  
28 Total payments and credits. Add line 24, line 25, and line 27 ..... 28 \_\_\_\_\_  
29 Overpaid tax. If line 28 is more than line 23, subtract line 23 from line 28 ..... 29 \_\_\_\_\_  
30 Enter the amount of line 29 you want applied to your 2000 estimated tax ..... ■ 30 \_\_\_\_\_  
31 Overpaid tax available this year. Subtract line 30 from line 29 ..... ■ 31 \_\_\_\_\_  
32 Tax due. If line 28 is less than line 23, subtract line 28 from line 23 ..... 32 \_\_\_\_\_

## Step 7

### Refund or Amount You Owe

- 34 Total contributions. Enter amount from Side 2, Part II, line 14 ..... ● 34 \_\_\_\_\_  
35 Subtract line 34 from line 31. You have a **REFUND** or **NO AMOUNT DUE**.  
Enter the result here. See Part III for direct deposit. See Part IV to sign your return ..... ■ 35 \_\_\_\_\_  
36 Add line 32 and line 34. This is the **AMOUNT YOU OWE**. Enter the result here.  
See Side 2, Part IV to sign your return. ..... ■ 36 \_\_\_\_\_  
37 Underpayment of estimated tax. If form FTB 5805 is attached, fill in this circle ..... ☐ ■ 37 \_\_\_\_\_  
38 If you do not need California income tax forms mailed to you next year, fill in this circle ..... ● 38 ☐



## Part I

### California Income Adjustments

See instructions

1	State income tax refund adjustment (from Form 1040, line 10). See page 22	1	
2	Unemployment compensation adjustment (from federal TeleFile Tax Record, line D; Form 1040EZ, line 3; Form 1040A, line 12; or Form 1040, line 19). See page 22	2	
3	Social security benefits adjustment or tier 1 and tier 2 railroad retirement benefits adjustment. See page 22	3	
4	California nontaxable interest or dividend income adjustment. See page 22	4	
5	California IRA distributions adjustment. See page 22	5	
6	California pensions and annuities adjustment. See page 23	6	
7	<b>Total California income adjustments.</b> Add line 1 through line 6. Enter here and on Side 1, line 13	7	

## Part II

### Contributions

1	Contribution to California Seniors Special Fund. See page 25	◀ 47 ▶	1	
<b>You may make a contribution of \$1 or more to the following funds:</b>				
2	Alzheimer's Disease/Related Disorders Fund	◀ 48 ▶	2	00
3	California Fund for Senior Citizens	◀ 49 ▶	3	00
4	Rare and Endangered Species Preservation Program	◀ 50 ▶	4	00
5	State Children's Trust Fund for the Prevention of Child Abuse	◀ 51 ▶	5	00
6	California Breast Cancer Research Fund	◀ 52 ▶	6	00
7	California Firefighters' Memorial Fund	◀ 53 ▶	7	00
8	California Public School Library Protection Fund	◀ 54 ▶	8	00
9	D.A.R.E. California (Drug Abuse Resistance Education) Fund	◀ 55 ▶	9	00
10	California Mexican American Veterans' Memorial	◀ 56 ▶	10	00
11	Emergency Food Assistance Program Fund	◀ 57 ▶	11	00
12	California Peace Officer Memorial Foundation Fund	◀ 58 ▶	12	00
13	Birth Defects Research Fund	◀ 59 ▶	13	00
14	<b>Total contributions.</b> Add line 1 through line 13. Enter here and on Side 1, line 34		14	

## Part III

### Direct Deposit Information

To have your refund directly deposited, fill in the boxes below. See page 26.

Routing number	
Account type:	
Checking <input type="checkbox"/> Savings <input type="checkbox"/>	Account number

## Part IV

### Sign Here

It is unlawful to forge a spouse's signature.

Under penalties of perjury, I declare that I have examined this return and to the best of my knowledge and belief, it is true, correct, and complete.		9
Your signature	Spouse's signature (if filing joint, both must sign)	Daytime phone number
X	X	( ) +
Paid preparer's signature (declaration of preparer is based on all information of which preparer has any knowledge)		Date
		Paid Preparer's SSN/FEIN/PTIN
Firm's name (or yours if self-employed)		Firm's address

Joint return?  
See page 26.

### Where to Mail Your Return

**REFUND or NO AMOUNT DUE** (Side 1, line 35):

**FRANCHISE TAX BOARD**  
**PO BOX 942840**  
**SACRAMENTO CA 94240-0000**

**AMOUNT DUE** (Side 1, line 36):

**FRANCHISE TAX BOARD**  
**PO BOX 942867**  
**SACRAMENTO CA 94267-0001**

- Make your check or money order payable to "Franchise Tax Board."
- Write your social security number and "1999 Form 540A" on your check or money order.
- Attach check or money order to your Form 540A.

✓ **Keep a copy of this signed return with your tax records for four years from the due date for filing your return.**

- Be sure to file your return by April 17, 2000.
- Be sure to enter your social security number(s) in Step 1a.
- If you cannot file your return by April 17, 2000, and owe tax, be sure to complete form FTB 3519, Payment Voucher for Automatic Extension for Individuals, and pay the amount you owe by April 17, 2000, to avoid late payment penalties and interest.
- Use the preprinted label if you received one. If the information is not correct, make the necessary corrections in ink.
- **Do not attach your federal return to this return.**



# Instructions for Form 540A — California Resident Income Tax Return

These instructions are based on the Internal Revenue Code (IRC) as of January 1, 1998, and the California Revenue and Taxation Code (R&TC).

## Before You Begin

You must complete your federal income tax return (Form 1040, Form 1040A, Form 1040EZ, or federal TeleFile Tax Record) before you begin your Form 540A. You will use the information you entered on your federal income tax return to complete your Form 540A. See "Order Forms" on the back cover for information on how to get the forms and publications referred to in these instructions.



**Tip** You may qualify for the federal earned income credit. See page 3 for more information. There is no comparable state credit.

## Step 1 — Name and Address

If there is a label on the front of your booklet, attach the label to your return after you have finished completing it. Make sure that the information on your label is correct. Cross out any errors and print the correct information.

If there is no label on the front of your booklet, print your name, and address in the space provided at the top of Form 540A. See page 6, Helpful Hints, "Filling in your return."

If you lease a mailbox from a private business, enter your mailbox number in the field labeled "PMB no."

## Step 1a — Social Security Number(s)

Enter your social security number(s) in the spaces provided. To protect your privacy, your social security number(s) are not printed on your label. If you file a joint return, show the social security numbers in the same order that you show both names.

**Note:** If you do not have a social security number because you are a nonresident or resident alien for federal tax purposes, and the IRS issued you an Individual Taxpayer Identification Number (ITIN), enter the ITIN in the spaces for the social security number.

## Step 2 — Filing Status

Fill in only one of the circles for line 1 through line 5. Be sure to enter the required additional information if you filled in the circle for line 3 or line 5.

Your filing status for California must be the same as the filing status you used on your federal income tax return.

**Exception:** Married taxpayers who file a joint federal income tax return may file either a joint return or separate returns if either spouse was:

- An active member of the United States armed forces or any auxiliary military branch during 1999; or
- A nonresident for the entire year and had no income from California sources during 1999.

However, if you file a joint return and if either spouse was a nonresident in 1999, you must file Form 540NR, California Nonresident or Part-Year Resident Income Tax Return.

### Line 1 — Single

You may fill in the circle on line 1 if **any** of the following was true on December 31, 1999:

- You were never married;
- You were legally separated under a decree of divorce or of separate maintenance; or
- You were widowed before January 1, 1999, and did not remarry in 1999.

### Line 2 — Married Filing Joint Return

You may fill in the circle on line 2 if **any** of the following is true:

- You were married as of December 31, 1999, even if you did not live with your spouse at the end of 1999;
- Your spouse died in 1999 and you did not remarry in 1999; or
- Your spouse died in 2000 before filing a 1999 return.

### Line 3 — Married Filing Separate Return

If you filled in the circle on line 3, be sure to enter your spouse's name on line 3 and social security number in Step 1a.

**Note:** You cannot claim a personal exemption credit for your spouse even if your spouse had no income, is not filing a return, and is not claimed as a dependent on another person's return.

**Note:** You may be able to file as head of household if you had a child living with you and you lived apart from your spouse during the entire last 6 months of 1999. See page 49 for more information.

For reporting separate income and deductions, get FTB Pub. 1051A, Guidelines for Married Filing Separate Returns.

### Line 4 — Head of Household

This filing status is for unmarried individuals who provide a home for certain other persons. Before you select this filing status, see the requirements and self-test for head of household beginning on page 49.

**Note:** It is no longer necessary to write the name of the qualifying individual on the return.

### Line 5 — Qualifying Widow(er) with Dependent Child

You may fill in the circle on line 5 and use the joint return tax rates for 1999 if **all five** of the following apply:

1. Your spouse died in 1997 or 1998 and you did not remarry in 1999; and
2. You have a child, stepchild, adopted child, or foster child whom you can claim as a dependent; and
3. This child lived in your home for all of 1999. Temporary absences, such as for vacation or school, count as time lived in the home; and
4. You paid over half the cost of keeping up your home for this child; and
5. You could have filed a joint return with your spouse the year he or she died, even if you actually did not do so.

**Note:** If your spouse died in 1999, see the instructions for line 2.

## Step 3 — Exemptions



601

### Line 6 — Can be Claimed as Dependent

Fill in the circle on line 6 if your parent (or someone else) can claim you as a dependent on his or her tax return.

**Line 7 – Personal Exemptions**

Did you fill in the circle on line 6?

**No** Follow the instructions on Form 540A, line 7.

**Yes** Ignore the instructions on Form 540A, line 7. Instead, enter in the box on line 7 the amount shown below for your filing status:

- Single or married filing separate, enter -0-;
- Head of household, enter -0-;
- Married filing joint and both you and your spouse can be claimed as dependents, enter -0-; or
- Married filing joint and only one spouse can be claimed as a dependent, enter 1.

**Line 8 – Blind Exemptions**

The first year you claim this exemption credit, you must attach a doctor's statement to the back of Form 540A indicating you or your spouse are visually impaired. Visually impaired means you cannot see better than 20/200 while wearing glasses or contact lenses, or that your field of vision is not more than 20 degrees.

**Caution:** An individual who is someone else's dependent may not claim this credit.

**Line 9 – Senior Exemptions**

If you were 65 years of age or older by December 31, 1999, you should claim an additional exemption credit on line 9. If you are married, each spouse 65 years of age or older should claim an additional credit.

**Caution:** An individual who is someone else's dependent may not claim this credit.

**Line 10 – Total Personal, Blind, and Senior Exemptions**

Add the dollar amounts on line 7 through line 9. Enter the result on line 10.

**Line 11 – Dependent Exemptions**

To claim an exemption credit for each of your dependents, write each dependent's name and relationship to you in the space provided. The persons you list as dependents must be the same persons you listed as dependents on your federal income tax return. Count the number of dependents listed and enter the total in the box on line 11. Multiply the total by the pre-printed dollar amount and enter the result.

**Side 2, Part I — California Income Adjustments****Line 1 – State Income Tax Refund Adjustment**

Enter the amount of any state income tax refund shown on your federal Form 1040, line 10. If you filed Form 1040A or Form 1040EZ, enter -0- on line 1.

**Line 2 – Unemployment Compensation Adjustment**

Enter the amount of any unemployment compensation shown on your federal TeleFile Tax Record, line D; Form 1040EZ, line 3; Form 1040A, line 12; or Form 1040, line 19.

**Note:** Do not include qualified state tuition program earnings.

**Line 3 – Social Security Benefits (and tier 1 or tier 2 railroad retirement benefits) Adjustment**

Enter the total of any of these amounts shown on your federal return:

- Social security benefits and equivalent tier 1 railroad retirement benefits reported on federal Form 1040A, line 13b; or Form 1040, line 20b;
- Tier 1 (non social security equivalent) and tier 2 railroad retirement benefits included in the amount on federal Form 1040A, line 11b; or Form 1040, line 16b.

**Note:** Do not include any other pension amounts on this line. If you filed Form 1040EZ, enter -0- on line 3.

**Line 4 – California Nontaxable Interest or Dividend Income Adjustment**

**California does not tax interest earned from:**

- United States savings bonds;
- United States Treasury bills, notes, and bonds; and
- Bonds or obligations of United States territories, and government agency obligations specifically exempted by federal law.

Enter only the amount of interest that you received from these sources and that you included in the amount reported on your federal Form 1040A, line 8a; or Form 1040, line 8a; or Form 1040EZ, line 2.

**Interest from municipal or state bonds from a state other than California:** This interest is taxed by California. You may not use Form 540A. You must use Form 540.

**Interest from Federal National Mortgage Association (Fannie Mae) Bonds, Government National Mortgage Association (Ginnie Mae) Bonds, and Federal Home Loan Mortgage Corporation (FHLMC) securities:** This interest is taxed by California. Do not enter it on line 4.

**Exempt-interest dividends from mutual funds:** Certain mutual funds are qualified to pay "exempt-interest dividends" if at least 50% of their assets consist of tax-exempt government obligations. The portion of the dividends that is tax-exempt will be shown on your annual statement from the mutual fund. If the amount of California tax-exempt interest is more than the amount of federal tax-exempt interest, enter the difference on line 4. If the amount of California tax-exempt interest is less than the amount of federal tax-exempt interest, you may not use Form 540A. You must use Form 540.

**Line 5 – California Individual Retirement Account (IRA) Distributions Adjustment**

**Note:** You cannot use Form 540A if you have Roth IRA conversions or distributions. You must use Form 540.

The method of taxing IRA distributions is generally the same for California and federal purposes. However, there may be significant differences in the taxable amount depending on when you made your contributions. Before 1987, the maximum IRA contribution you were allowed to deduct from California income was less than the maximum amount you were allowed to deduct from federal income. For this reason, the amount of your IRA distribution taxed by California may be different than the amount taxed under federal law.

Report the difference between your California and your federal taxable IRA distributions on line 5. Be sure to attach Form 1099-R

**Step 4 — Taxable Income**

Refer to your completed federal income tax return to complete Step 4.

**Line 12a – State Wages**

Enter the total amount of your state wages from all states from each of your Form(s) W-2. This amount should be on Form W-2, box 17.

**Line 13 – California Income Adjustments**

California does not tax certain types of income that are taxable on your federal return. In addition, there may be differences between the taxable amounts of federal and California IRA distributions, pensions, and annuities. For more information, see next column.

to your Form 540A. Get FTB Pub. 1005, Pension and Annuity Guidelines, for more information.

#### Line 6 – California Pensions and Annuities Adjustment

If you received a lump-sum distribution from a profit sharing or retirement plan, you may pay less tax on the distribution if you choose the 5-year or 10-year averaging method. However, you must file Form 540 and Schedule G-1, Tax on Lump-Sum Distributions (not in this booklet), for more information.

If your annuity starting date was after July 1, 1986, and before January 1, 1987, and if you elected to use the 3-year recovery rule for California, you must make an adjustment because your federal taxable amount is less than your California taxable amount. Figure the difference between the gross distribution shown on your Form 1099-R, box 1 and the taxable amount shown in box 2a. Enter the difference in parentheses on line 6. For example: "(12,325)." Combine line 1 through line 6. If the result is less than zero, enter the amount in parentheses on line 7 and on Side 1, line 13. In this case only, treat the amount on line 13 as a positive number and add it to the amount on line 12.

### Step 4 (continued)

#### Line 14 – California Adjusted Gross Income

Subtract line 13 from line 12b. Enter the result on line 14. If the result is less than zero, enter the amount in parentheses. For example: "(12,325)."

#### Line 15 – CA Standard Deduction or CA Itemized Deductions

You must decide whether to take the standard deduction or to itemize your actual charitable contributions, medical expenses, interest paid, taxes, etc. Your California income tax will be less if you take the larger of:

- Your California itemized deductions; or
- Your California standard deduction.

If you are married and file a separate return, both you and your spouse must either itemize your deductions or take the standard deduction.

**Itemized deductions.** Figure your California itemized deductions by completing the California Itemized Deductions Worksheet on this page. Enter the result on Form 540A, line 15.

**Note:** If you did not itemize deductions on your federal income tax return but will itemize deductions for your California Form 540A, first complete a federal Schedule A, Itemized Deductions. Then complete the California Itemized Deductions Worksheet on this page. Do not attach federal Schedule A to this return.

**Standard deduction.** Find your standard deduction on the California Standard Deduction Chart for Most People on this page unless you filled in the circle on Form 540A, line 6. In that case, use the California Standard Deduction Worksheet for Dependents on this page.

#### California Standard Deduction Chart for Most People

Do not use this chart if your parent, or someone else, can claim you (or your spouse, if married) as a dependent on his or her tax return.

Your Filing Status	Enter On Line 15
1 – Single	\$2,711
2 – Married filing joint return	\$5,422
3 – Married filing separate return	\$2,711
4 – Head of household	\$5,422
5 – Qualifying widow(er)	\$5,422

**Note:** The California standard deduction amounts are less than the federal standard deduction amounts.

#### California Standard Deduction Worksheet for Dependents

Use this worksheet only if your parent, or someone else, can claim you (or your spouse if married) as a dependent on his or her tax return.

- Enter your total wages, salaries, and tips from all your Form(s) W-2, box 1. (You may also refer to federal Form 1040EZ, line 1: Form 1040A, line 7; or Form 1040, line 7) . . . . 1 \_\_\_\_\_
- ..... 2 \$250.00
- Add line 1 and line 2. Enter total here . . . . . 3 \_\_\_\_\_
- Minimum standard deduction . . . . . 4 \$700.00
- Enter the **larger** of line 3 or line 4 here . . . . . 5 \_\_\_\_\_
- Enter the amount shown for your filing status:
  - Single or married filing separate, enter \$2,711
  - Married filing joint, head of household, or qualifying widow(er) enter \$5,422
 } . . . . 6 \_\_\_\_\_
- Standard deduction.** Enter the **smaller** of line 5 or line 6 here and on Form 540A, line 15 . . . . 7 \_\_\_\_\_

#### California Itemized Deductions Worksheet

- Enter your total itemized deductions from federal Schedule A, line 28 . . . . . 1 \_\_\_\_\_
- Add these amounts from federal Schedule A and enter on line 2:
  - Line 5, state and local income tax, and State Disability Insurance (SDI): . . . . .
  - Line 8, foreign income taxes: . . . . .
 2 \_\_\_\_\_
- Subtract line 2 from line 1. This amount is your total California **itemized deductions** . . . . . 3 \_\_\_\_\_
- Enter the **standard deduction** for your filing status from the "California Standard Deduction Chart for Most People", or from line 7 of the "California Standard Deduction Worksheet for Dependents" if your parent, or someone else, can claim you as a dependent on his or her tax return . . . . . 4 \_\_\_\_\_
- Enter the **larger** of line 3 or line 4 here and on Form 540A, line 15 . . . . . 5 \_\_\_\_\_

### Step 5 — Tax and Credits

First figure your tax. Be sure to use the correct filing status and taxable income amount. Then make sure you qualify to claim your credits.

#### Line 17 – Tax

To figure your tax on the amount shown on line 16, use the tax tables beginning on page 57. Be sure you use the column for your filing status.

**Caution.** If your taxable income on line 16 is over \$100,000, you must use Form 540. See the Form 540 instructions beginning on page 31.

#### Line 19 – Nonrefundable Renter's Credit

Did you pay rent for at least 6 months in 1999 on your principal residence located in California?

- Yes** You may qualify to claim this credit which may reduce your tax. Complete the qualification record on page 16.
- No** Go to line 20.

## Step 6 — Overpaid Tax or Tax Due

To avoid a delay in the processing of your return, be sure you enter the correct amounts on line 24 through line 32.



### Line 24 – California Income Tax Withheld

Enter on line 24 the total amount shown as California income tax withheld on your Form(s) W-2 in box 18; Form(s) W-2G in box 14; or Form(s) 1099-R in box 10.  
**Caution:** Do not include city or county tax withheld or tax withheld by other states.



If you received a Form 1099 showing California income tax withheld ("backup withholding") on dividends and interest income, include the amount withheld in the total on line 24 and attach a copy of the Form 1099 to your return.

If you do not have a Form W-2, see the instructions for "Sign Your Return" on page 26.

### Line 25 – 1999 California Estimated Tax and Payment with form FTB 3519

Enter the total of any:

- California estimated tax payments you made using 1999 Form 540-ES;
- Overpayment from your 1998 California income tax return applied to your 1999 estimated tax; and
- Payment you sent with form FTB 3519, Payment Voucher for Automatic Extension for Individuals.

If you and your spouse paid joint estimated tax but are now filing separate returns, either of you may claim all of the amount paid, or you may each claim part of it. Attach a statement, signed by you and your spouse, explaining how you want your payments divided. Be sure to show both social security numbers on your separate returns. If you or your spouse made separate estimated tax payments, but you are now filing a joint income tax return, add the amounts you each paid. Attach a statement to the front of Form 540A explaining that payments have been made under both social security numbers.

### Line 27 – Excess California SDI (or VPDI) Withheld

If more than \$158.84 of California State Disability Insurance (SDI) or Voluntary Plan Disability Insurance (VPDI) was withheld from your wages by a single employer, or if an employer withheld SDI (or VPDI) at a rate of more than 0.5% of your gross wages, you may **not** claim excess SDI (or VPDI) on your Form 540A, line 27 for the amount over-withheld by your employer. Contact the employer for a refund.

You may claim a credit for excess SDI (or VPDI) only if you meet all of the following conditions:

- You had **two or more** employers during 1999;
- You received more than \$31,767 in wages during 1999 from these employers;
- Your employers combined withheld more than \$158.84 of SDI (or VPDI) from your wages; and
- The amounts of SDI (or VPDI) withheld appear on your Forms W-2. Attach your Forms W-2 to your return.

Complete the following Excess SDI (or VPDI) Worksheet to figure the amount to enter on line 27.

#### Excess SDI (or VPDI) Worksheet

If you are married and file a joint return, you must figure the amount of excess SDI (or VPDI) **separately for each spouse**.

	You	Your Spouse
1. Add amounts of SDI (or VPDI) withheld shown on your Forms W-2. Enter the total here . . . 1		
2. 1999 SDI (or VPDI) limit . . . . . 2	\$158.84	\$158.84
3. Excess SDI (or VPDI) withheld. Subtract line 2 from line 1. Enter the result here and on Form 540A, line 27 . . . . . 3		

**Note:** If zero or less, enter -0- on line 27.

### Line 29 – Overpaid Tax

If the amount on line 28 is more than the amount on line 23, your payments and credits are more than your tax. Subtract the amount on line 23 from the amount on line 28. Enter the result on line 29. This is the amount of your overpaid tax. If the amount on line 28 is less than the amount on line 23, go to line 32.

### Line 30 – Amount You Want Applied To Your 2000 Estimated Tax

If you pay estimated tax, you may apply all or part of the amount on line 29 to your 2000 estimated tax. Enter on line 30 the amount of line 29 you want applied to your 2000 estimated tax.

### Line 31 – Overpaid Tax Available This Year

If you entered an amount on line 30, subtract that amount from line 29. Enter the result on line 31. You may choose to have this entire amount refunded to you or you may make contributions to the California Seniors Special Fund or make voluntary contributions from this amount. If you choose to make contributions, skip line 32 and go to Step 7.

### Line 32 – Tax Due

If the amount on line 28 is less than the amount on line 23, your tax is more than your payments and credits. Subtract the amount on line 28 from the amount on line 23. Enter the result on line 32. This is the amount of your tax due.

There is a penalty for not paying enough tax during the year. You may have to pay a penalty if the:

- Tax due on line 32 is \$200 (\$100 if married filing separate) or more; and
- California income tax withheld on line 24 is less than 80% of the amount of your total tax on line 23.

If you owe a penalty, the Franchise Tax Board will figure the penalty and send you a bill.

You may make contributions to the California Seniors Special Fund or make voluntary contributions by adding them to the tax due. You must pay the full amount of tax due, including contributions, when you file your Form 540A.



**Step 7 — Refund or Amount You Owe**

Be sure to add or subtract carefully to figure the amount of your refund or the amount you owe.

**Contributions**

You may make contributions to the California Seniors Special Fund, or you may make voluntary contributions of \$1 or more in whole dollar amounts for line 2 through line 13. If you make one or more contributions, you must complete Side 2, Part II. You may contribute only to the funds listed in Part II and cannot change the amount you contributed after you file your return.

**Side 2, Part II — Contributions****Line 1 — Contribution to California Seniors Special Fund**

If you and/or your spouse are 65 years of age or older and claim the Senior Exemption Credit on line 9, you may make a combined total contribution of up to \$144 or \$72 per spouse. Contributions entered on line 1 will be distributed to the Area Agency of Aging Councils (TACC) to provide advice on and sponsorship of Senior Citizen issues. Any excess contributions not required by TACC will be distributed to senior citizen service organizations throughout California for meals, adult day care, and transportation.

**Line 2 — Alzheimer's Disease/Related Disorders Fund**

Contributions entered on line 2 will be used to conduct a program for researching the cause and cure of Alzheimer's disease and related disorders and research into the care and treatment of persons suffering from dementing illnesses.

**Line 3 — California Fund for Senior Citizens**

Contributions entered on line 3 will provide for Senior Citizens Adult Day Health Care Centers, nutrition centers, respite care, long-term care, senior citizen abuse prevention programs, Alzheimer day care programs, and the California Senior Legislature (CSL). The CSL are volunteers who prioritize statewide requirements of seniors and propose legislation in areas of health, housing, transportation, and community services. Any excess contributions not required by the CSL will be distributed to senior citizen service organizations throughout California.

**Line 4 — Rare and Endangered Species Preservation Program**

Contributions entered on line 4 will be used to help protect and conserve California's many threatened and endangered species and the wild lands that they need to survive, for the enjoyment and benefit of you and future generations of Californians.

**Line 5 — State Children's Trust Fund for the Prevention of Child Abuse**

Contributions entered on line 5 will be used to fund programs for the prevention, intervention, and treatment of child abuse and neglect.

**Line 6 — California Breast Cancer Research Fund**

Contributions entered on line 6 will be used to conduct research relating to the prevention, screening, cure, and treatment of breast cancer.

**Line 7 — California Firefighters' Memorial Fund**

Contributions entered on line 7 will be used for the construction of a memorial on the grounds of the State Capitol honoring the hundreds of firefighters who have died protecting our neighborhoods, our homes, our families, and our dreams. These brave men and women answered the call when fire alarms sounded or when paramedic services were needed, and their sacrifices and the sacrifices of their families deserve to be remembered.

**Line 8 — California Public School Library Protection Fund**

Contributions entered on line 8 will be expended for the purchase of books and other library resources through grants awarded for implementing a school library improvement plan.

**Line 9 — D.A.R.E. California (Drug Abuse Resistance Education) Fund**

Contributions entered on line 9 will be used to support local D.A.R.E. programs and provide proven effective, in-classroom anti-drug, anti-gang, and anti-violence education for California school children.

**Line 10 — California Mexican American Veterans' Memorial**

Contributions entered on line 10 will be used to pay for the construction, beautification, enhancement, maintenance, or repair of the California Mexican American Veterans' Memorial.

**Line 11 — Emergency Food Assistance Program Fund**

Contributions entered on line 11 will be used to help local food banks feed California's hungry. Your contribution will fund the purchase of much-needed food for delivery to food banks, pantries, and soup kitchens throughout the state. The State Department of Social Services will monitor its distribution to ensure the food is given to those most in need.

**Line 12 — California Peace Officer Memorial Foundation Fund**

Contributions entered on line 12 will permit the Foundation to preserve the memory of our fallen comrades by maintaining a Memorial on State Capitol grounds, and updating it annually to memorialize officers killed in the line of duty each year. Beginning with California statehood, peace officers have laid their lives on the line to protect law-abiding citizens. Since then over 1,300 courageous peace officers have fallen in the line of duty. The California Peace Officer Memorial Foundation is a non-profit charitable organization committed to honoring those heroes by assisting their survivors by offering moral support, counseling, and financial support, including academic scholarships for the children of those officers who have made the supreme sacrifice. On behalf of all of us and the law-abiding citizens of California we thank you for your participation.

**Line 13 — Birth Defects Research Fund**

Contributions entered on line 13 will be used to find causes of birth defects, which strike 1 of every 33 babies born each year. Birth defects are the leading cause of death and disability in children, yet in most cases, we don't know why they happen. Give now and help wipe out birth defects in our lifetime.

**Line 14 — Total Contributions**

Add all contributions you entered on line 1 through line 13. Enter the result on Side 2, Part II, line 14, and on Side 1, line 34.

**Step 7 (continued)****Line 34 — Total Contributions**

Enter the amount of your total contributions from Side 2, Part II, line 14. If you did not make any contributions, do not enter an amount on line 34. If you show an amount on line 31, you must subtract the amount you contribute from the amount of overpaid tax. If you show an amount on line 32, you must add the amount you contribute to your tax due.

**Line 35 — Refund Or No Amount Due**

If you did not enter an amount on line 34, enter the amount from line 31 on line 35. This is the amount that will be refunded to you. If the amount is less than \$1, attach a written request to your Form 540A to receive the refund.

If you entered an amount on line 34, subtract that amount from the amount on line 31. If the result is zero or more, enter the result on line 35. To have your refund directly deposited into your bank account, go to Part III, Direct Deposit of Refund, then skip to the instructions for line 37.

If the result is less than zero, your contributions are more than your overpaid tax available on line 31. In this case, do not enter an amount on line 35. Instead, subtract the amount on line 31 from the amount on line 34. Enter the result on line 36 and see the instructions for line 36.

### Line 36 – Amount You Owe

If you did not enter an amount on line 34, enter the amount from line 32 on line 36. This is the amount you owe with your Form 540A.

If you entered an amount on line 34, add that amount to the amount on line 32. Enter the result on line 36. This is the amount you owe with your Form 540A.

To avoid a late filing penalty, file your Form 540A by the due date even if you cannot pay the amount you owe.

**Do not combine your 1999 tax payment and any 2000 estimated tax payment in the same check. You must prepare two separate checks and mail each in a separate envelope.**

**Paying by Check or Money Order**— Make your check or money order payable to the “Franchise Tax Board” for the full amount you owe. Do not send cash. Be sure to write your social security number and “1999 Form 540A” on your check or money order. Attach your check or money order to your return. See page 6, Helpful Hints, “Assembling Your Return.” A penalty may be imposed if your check is returned by your bank for insufficient funds.

**Paying by Credit Card** – For information about paying using your Discover/NOVUS, MasterCard, or American Express card, see page 54.

If you cannot pay the full amount shown on line 36 with your return, you may request to make monthly payments. See page 55, Question 4.

### Line 37 – Underpayment of Estimated Tax

**You may owe a penalty if:**

- Line 32 is \$200 (\$100 if married filing separate) or more and more than 20% of the tax shown on line 23; or
- You underpaid your 1999 estimated tax liability for any payment period. The Franchise Tax Board can figure the penalty for you when you file your return and send you a bill. Or you can get form FTB 5805, Underpayment of Estimated Tax by Individuals and Fiduciaries, to see if you owe a penalty and to figure the amount. If you complete form FTB 5805, enter the amount of the penalty on line 37 and fill in the circle on line 37. You must complete and attach form FTB 5805 if you claim a waiver of the penalty or use the annualized income installment method.

**Note:** Do not reduce the amount on line 29 or increase the amount on line 32 by any penalty or interest amounts.

See page 7, Tax Time Tips, for information on estimated tax payments and how to avoid the underpayment penalty.

### Line 38 – 2000 Tax Forms

If your Form 540A is prepared by someone else or if you do not need tax forms mailed to you next year, fill in the circle on line 38.

## Part III — Direct Deposit of Refund

It's fast, safe, and convenient to have your refund directly deposited into your bank account.

The following illustration shows which bank numbers to transfer to the preprinted boxes on Form 540A, Side 2, Part III.



Do not use a deposit slip to find the bank numbers. Contact your financial institution for assistance in getting the correct routing number.

**John Doe**  
**Mary Doe**  
 1234 Main Street  
 Anytown, CA 99999

\_\_\_\_ 19\_\_\_\_

PAY TO THE  
 ORDER OF \_\_\_\_\_

\$ \_\_\_\_\_

\_\_\_\_ DOLLARS

ANYTOWN BANK  
 Anytown, CA 99999

Routing number: 250250025  
 Account number: 202020

For \_\_\_\_\_

Do not include the check number

1234

1 250250025 202020 1234

## Part IV — Sign Your Return

You must sign your return in the space provided on Side 2.  
If you file a joint return, your spouse must sign it also.

**Joint Return.** If you file a joint return, both you and your spouse are generally responsible for the tax and any interest or penalties due on the return. This means that if one spouse does not pay the tax due, the other may have to. See Innocent Spouse Relief, on page 56.

**Paid Preparer's Information.** If you pay a person to prepare your California income tax return, that person must sign and complete the area at the bottom of Side 2, including an identification number (social security number, FEIN, or PTIN). A paid preparer must give you two copies of your return; one copy to file with the Franchise Tax Board and one to keep for your records.

**Check Your Social Security Number(s).** Make sure that you have written your social security number(s) in the spaces provided at the top of Form 540A in Step 1a.

**Attach Your Form(s) W-2 To Your Return.** You must attach Copy 2 of all Form(s) W-2, W-2G, and 1099-R to the front of your return. If you do not receive your Form(s) W-2 by January 31, 2000, contact your employer. Only your employer can issue or correct a Form W-2.

If you cannot get a copy of your Form W-2, you must complete form FTB 3525, Substitute for Form W-2, Wage and Tax Statement, or Form 1099-R, Distributions from Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc. See "Order Forms" on the back cover.

If you forget to send your Form(s) W-2 with your income tax return, do not send it separately. Wait until the Franchise Tax Board requests it from you.

**Important:** Do not attach a copy of your federal income tax return to Form 540A.

## Mailing Addresses

**Mailing Addresses**  
If you have a refund, or if you have no amount due, mail your return to:

FRANCHISE TAX BOARD  
PO BOX 942840  
SACRAMENTO CA 94240-0000

If you owe, mail your return to:

FRANCHISE TAX BOARD  
PO BOX 942867  
SACRAMENTO CA 94267-0001



# California Resident Income Tax Return 1999

FORM

**540**

Fiscal year filers only: Enter month of year end: month \_\_\_\_\_ year 2000.

**Step 1**Place  
label here  
or printName  
and  
Address

Your first name

Initial

Last name

If joint return, spouse's first name

Initial

Last name

Present home address — number and street including PO Box or rural route

Apt. no.

PMB no.

City, town, or post office

State

ZIP Code

P  
AC  
A  
R  
RP**Step 1a**  
SSN

Your social security number

Spouse's social security number

**IMPORTANT:**Your social security number  
is required.**Step 2**

## Filing Status

Fill in only one.

- 1 ☐ Single      2 ☐ Married filing joint return (even if only one spouse had income)
- 3 ☐ Married filing separate return. Enter spouse's social security number above and full name here \_\_\_\_\_
- 4 ☐ Head of household (with qualifying person). STOP. See page 31.
- 5 ☐ Qualifying widow(er) with dependent child. Enter year spouse died 19 \_\_\_\_\_.

**Step 3**

## Exemptions

Attach check or  
money order here.

- 6 If your parent (or someone else) can claim you (or your spouse, if married) as a dependent on his or her tax return, even if he or she chooses not to, fill in this circle ..... ● 6 ☐
- For line 7, line 8, line 9, and line 11: Multiply the amount you enter in the box by the pre-printed dollar amount for that line.
- 7 **Personal:** If you filled in 1, 3, or 4 above, enter 1 in the box. If you filled in 2 or 5, enter 2 in the box. If you filled in the circle on line 6, see page 31 ..... 7 ☐ X \$72 = \$ \_\_\_\_\_
- 8 **Blind:** If you (or if married, your spouse) are visually impaired, enter 1; if both, enter 2 ..... 8 ☐ X \$72 = \$ \_\_\_\_\_
- 9 **Senior:** If you (or if married, your spouse) are 65 or older, enter 1; if both, enter 2 ..... ● 9 ☐ X \$72 = \$ \_\_\_\_\_
- 10 Add line 7 through line 9. This is your total exemption credit before the dependent exemption credit ..... 10 **Total** \$ \_\_\_\_\_
- 11 **Dependents:** Enter name and relationship. Do not include yourself or your spouse.  
\_\_\_\_\_  
\_\_\_\_\_ Total dependent exemption credit ..... 11 ☐ X \$227 = \$ \_\_\_\_\_

**Step 4**Taxable  
IncomeAttach copy of your  
Form(s) W-2, W-2G,  
1099-R, and other  
Forms 1099 showing  
California tax  
withheld.

- 12 State wages from your Form(s) W-2, box 17 ..... ● 12 \_\_\_\_\_
- 13 Enter federal adjusted gross income from Form 1040, line 33; Form 1040A, line 18;  
Form 1040EZ, line 4, or TeleFile Tax Record, line I ..... 13 \_\_\_\_\_
- 14 California adjustments — subtractions. Enter the amount from Schedule CA (540), line 33, column B .... ● 14 \_\_\_\_\_  
**Caution:** If the amount on Schedule CA (540), line 33, column B is a negative number, see page 32.
- 15 Subtract line 14 from line 13. If less than zero, enter the result in parentheses. See page 32 ..... 15 \_\_\_\_\_
- 16 California adjustments — additions. Enter the amount from Schedule CA (540), line 33, column C ..... ● 16 \_\_\_\_\_  
**Caution:** If the amount on Schedule CA (540), line 33, column C is a negative number, see page 32
- 17 California adjusted gross income. Combine line 15 and line 16 ..... ● 17 \_\_\_\_\_
- 18 Enter the larger of: { Your California **itemized deductions** from Schedule CA (540), line 40; **OR**  
Your California **standard deduction** shown below for your filing status:  
• Married filing joint, Head of household, or Qualifying widow(er) ..... \$5,422  
• Single or Married filing separate ..... \$2,711  
(Dependent of someone else and filled in the circle on line 6 ..... See page 32) ..... ● 18 \_\_\_\_\_
- 19 Subtract line 18 from line 17. This is your taxable income. If less than zero, enter -0- ..... 19 \_\_\_\_\_

**Step 5**

## Tax

- 20 Tax. Fill in circle if from ☐ Tax Table ☐ Tax Rate Schedule ☐ FTB 3800 or ☐ FTB 3803 ..... ● 20 \_\_\_\_\_  
**Caution:** If under age 14 and you have more than \$1,400 of investment income, read the line 20 instructions to see if you must attach form FTB 3800.
- 21 Exemption credits. If your federal AGI is more than \$119,813, see instructions. Otherwise, add line 10 and line 11 and enter the result on line 21 ..... 21 \_\_\_\_\_
- 22 Subtract line 21 from line 20. If less than zero, enter -0- ..... 22 \_\_\_\_\_
- 23 Tax. Fill in circle if from ☐ Schedule G-1, Tax on Lump-Sum Distributions  
☐ form FTB 5870A, Tax on Accumulation Distribution of Trusts ..... ● 23 \_\_\_\_\_
- 24 Add line 22 and line 23. Continue to Side 2 ..... 24 \_\_\_\_\_

## Step 6

### Special Credits and Nonrefundable Renter's Credit

25	Amount from Side 1, line 24	25
28	Enter credit name _____ code no. _____ and amount	28
29	Enter credit name _____ code no. _____ and amount	29
30	To claim more than two credits, see page 33	30
31	Nonrefundable renter's credit. See page 35	31
33	Add line 28 through line 31. These are your total credits	33
34	Subtract line 33 from line 25. If less than zero, enter -0-	34

## Step 7

### Other Taxes

35	Alternative minimum tax. Attach Schedule P (540)	35
36	Other taxes and credit recapture. See page 35	36
37	Add line 34 through line 36. This is your total tax	37

## Step 8

### Payments

38	California income tax withheld. Enter total from your 1999 Form(s) W-2, W-2G, 1099-MISC, and 1099-R. Also attach the form(s) to Side 1	38
39	1999 CA estimated tax and amount applied from your 1998 return. Include the amount from form FTB 3519 or Schedule K-1 (541)	39
41	Excess SDI. See page 36	41
42	Add line 38 through line 41. These are your total payments	42

## Step 9

### Overpaid Tax or Tax Due

43	Overpaid tax. If line 42 is more than line 37, subtract line 37 from line 42	43
44	Amount of line 43 you want applied to your 2000 estimated tax	44
45	Overpaid tax available this year. Subtract line 44 from line 43	45
46	Tax due. If line 42 is less than line 37, subtract line 42 from line 37	46

## Step 10

### Contributions

47	Contribution to California Seniors Special Fund. See page 37	47
48	Alzheimer's Disease/Related Disorders Fund	48
49	California Fund for Senior Citizens	49
50	Rare and Endangered Species Preservation Program	50
51	State Children's Trust Fund for the Prevention of Child Abuse	51
52	California Breast Cancer Research Fund	52
53	California Firefighters' Memorial Fund	53
54	California Public School Library Protection Fund	54
55	D.A.R.E. California (Drug Abuse Resistance Education) Fund	55
56	California Mexican American Veterans' Memorial	56
57	Emergency Food Assistance Program Fund	57
58	California Peace Officer Memorial Foundation Fund	58
59	Birth Defects Research Fund	59
60	Add line 47 through line 59. These are your total contributions	60

## Step 11

### Refund or Amount You Owe

61	REFUND OR NO AMOUNT DUE. Subtract line 60 from line 45. Mail to: FRANCHISE TAX BOARD, PO BOX 942840, SACRAMENTO CA 94240-0000	61
62	AMOUNT YOU OWE. Add line 46 and line 60. Make a check/money order payable to "Franchise Tax Board" for the full amount. Write your social security number and "1999 Form 540" on it. Attach it to the front of your Form 540 and mail to: FRANCHISE TAX BOARD, PO BOX 942867, SACRAMENTO CA 94267-0001	62

## Step 12

### Interest and Penalties

63	Interest, late return penalties, and late payment penalties	63
64	Underpayment of estimated tax. Fill in circle: <input type="radio"/> FTB 5805 attached <input type="radio"/> FTB 5805F attached	64
65	If you do <b>not</b> need California income tax forms mailed to you next year, fill in circle	65

## Step 13

### Direct Deposit Information

Routing number	
Type: Checking <input type="checkbox"/> Savings <input type="checkbox"/>	Account number

## Sign Here

It is unlawful to forge a spouse's signature.

Joint return? See page 38.

**IMPORTANT:** See "Sign Your Return" in the Form 540 instructions to find out if you should attach a copy of your complete federal return. Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct and complete.

Your signature	Daytime phone number
X _____	( ) +
Spouse's signature (if filing joint, both must sign)	
X _____	
Paid preparer's signature (declaration of preparer is based on all information of which preparer has any knowledge)	Date
_____	_____
Firm's name (or yours if self-employed)	Paid preparer's SSN/FEIN/PTIN
_____	_____
Firm's address	_____
_____	_____

# California Resident Income Tax Return 1999

FORM

**540**

Fiscal year filers only: Enter month of year end: month \_\_\_\_\_ year 2000.

## Step 1

Place  
label here  
or printName  
and  
Address

Your first name

Initial

Last name

If joint return, spouse's first name

Initial

Last name

Present home address — number and street including PO Box or rural route

Apt. no.

PMB no.

City, town, or post office

State

ZIP Code

P  
AC  
A  
R  
RP

## Step 1a SSN

Your social security number

Spouse's social security number

**IMPORTANT:**Your social security number  
is required.

## Step 2

### Filing Status

Fill in only one.

- 1 ☐ Single      2 ☐ Married filing joint return (even if only one spouse had income)
- 3 ☐ Married filing separate return. Enter spouse's social security number above and full name here \_\_\_\_\_
- 4 ☐ Head of household (with qualifying person). STOP. See page 31.
- 5 ☐ Qualifying widow(er) with dependent child. Enter year spouse died 19 \_\_\_\_\_.

## Step 3

### Exemptions

Attach check or  
money order here.

- 6 If your parent (or someone else) can claim you (or your spouse, if married) as a dependent on his or her tax return, even if he or she chooses not to, fill in this circle ..... ● 6 ☐
- For line 7, line 8, line 9, and line 11: Multiply the amount you enter in the box by the pre-printed dollar amount for that line.
- 7 **Personal:** If you filled in 1, 3, or 4 above, enter 1 in the box. If you filled in 2 or 5, enter 2 in the box. If you filled in the circle on line 6, see page 31 ..... 7 ☐ X \$72 = \$ \_\_\_\_\_
- 8 **Blind:** If you (or if married, your spouse) are visually impaired, enter 1; if both, enter 2 ..... 8 ☐ X \$72 = \$ \_\_\_\_\_
- 9 **Senior:** If you (or if married, your spouse) are 65 or older, enter 1; if both, enter 2 ..... ● 9 ☐ X \$72 = \$ \_\_\_\_\_
- 10 Add line 7 through line 9. This is your total exemption credit before the dependent exemption credit ..... 10 **Total** \$ \_\_\_\_\_
- 11 **Dependents:** Enter name and relationship. Do not include yourself or your spouse.  
\_\_\_\_\_  
\_\_\_\_\_ Total dependent exemption credit ..... 11 ☐ X \$227 = \$ \_\_\_\_\_

### Dependent Exemptions

## Step 4

### Taxable Income

Attach copy of your  
Form(s) W-2, W-2G,  
1099-R, and other  
Forms 1099 showing  
California tax  
withheld.

- 12 State wages from your Form(s) W-2, box 17 ..... ● 12 \_\_\_\_\_
- 13 Enter federal adjusted gross income from Form 1040, line 33; Form 1040A, line 18;  
Form 1040EZ, line 4, or TeleFile Tax Record, line I ..... 13 \_\_\_\_\_
- 14 California adjustments — subtractions. Enter the amount from Schedule CA (540), line 33, column B .... ● 14 \_\_\_\_\_  
**Caution:** If the amount on Schedule CA (540), line 33, column B is a negative number, see page 32.
- 15 Subtract line 14 from line 13. If less than zero, enter the result in parentheses. See page 32 ..... 15 \_\_\_\_\_
- 16 California adjustments — additions. Enter the amount from Schedule CA (540), line 33, column C ..... ● 16 \_\_\_\_\_  
**Caution:** If the amount on Schedule CA (540), line 33, column C is a negative number, see page 32
- 17 California adjusted gross income. Combine line 15 and line 16 ..... ● 17 \_\_\_\_\_
- 18 Enter the larger of: { Your California **itemized deductions** from Schedule CA (540), line 40; **OR**  
Your California **standard deduction** shown below for your filing status:  
• Married filing joint, Head of household, or Qualifying widow(er) ..... \$5,422  
• Single or Married filing separate ..... \$2,711  
(Dependent of someone else and filled in the circle on line 6 ..... See page 32) ..... ● 18 \_\_\_\_\_
- 19 Subtract line 18 from line 17. This is your taxable income. If less than zero, enter -0- ..... 19 \_\_\_\_\_

## Step 5

### Tax

- 20 Tax. Fill in circle if from ☐ Tax Table ☐ Tax Rate Schedule ☐ FTB 3800 or ☐ FTB 3803 ..... ● 20 \_\_\_\_\_  
**Caution:** If under age 14 and you have more than \$1,400 of investment income, read the line 20 instructions to see if you must attach form FTB 3800.
- 21 Exemption credits. If your federal AGI is more than \$119,813, see instructions. Otherwise, add line 10 and line 11 and enter the result on line 21 ..... 21 \_\_\_\_\_
- 22 Subtract line 21 from line 20. If less than zero, enter -0- ..... 22 \_\_\_\_\_
- 23 Tax. Fill in circle if from ☐ Schedule G-1, Tax on Lump-Sum Distributions  
☐ form FTB 5870A, Tax on Accumulation Distribution of Trusts ..... ● 23 \_\_\_\_\_
- 24 Add line 22 and line 23. Continue to Side 2 ..... 24 \_\_\_\_\_

## Step 6

### Special Credits and Nonrefundable Renter's Credit

25	Amount from Side 1, line 24	25
28	Enter credit name _____ code no. _____ and amount	28
29	Enter credit name _____ code no. _____ and amount	29
30	To claim more than two credits, see page 33	30
31	Nonrefundable renter's credit. See page 35	31
33	Add line 28 through line 31. These are your total credits	33
34	Subtract line 33 from line 25. If less than zero, enter -0-	34

## Step 7

### Other Taxes

35	Alternative minimum tax. Attach Schedule P (540)	35
36	Other taxes and credit recapture. See page 35	36
37	Add line 34 through line 36. This is your total tax	37

## Step 8

### Payments

38	California income tax withheld. Enter total from your 1999 Form(s) W-2, W-2G, 1099-MISC, and 1099-R. Also attach the form(s) to Side 1	38
39	1999 CA estimated tax and amount applied from your 1998 return. Include the amount from form FTB 3519 or Schedule K-1 (541)	39
41	Excess SDI. See page 36	41
42	Add line 38 through line 41. These are your total payments	42

## Step 9

### Overpaid Tax or Tax Due

43	Overpaid tax. If line 42 is more than line 37, subtract line 37 from line 42	43
44	Amount of line 43 you want applied to your 2000 estimated tax	44
45	Overpaid tax available this year. Subtract line 44 from line 43	45
46	Tax due. If line 42 is less than line 37, subtract line 42 from line 37	46

## Step 10

### Contributions

47	Contribution to California Seniors Special Fund. See page 37	47
48	Alzheimer's Disease/Related Disorders Fund	48
49	California Fund for Senior Citizens	49
50	Rare and Endangered Species Preservation Program	50
51	State Children's Trust Fund for the Prevention of Child Abuse	51
52	California Breast Cancer Research Fund	52
53	California Firefighters' Memorial Fund	53
54	California Public School Library Protection Fund	54
55	D.A.R.E. California (Drug Abuse Resistance Education) Fund	55
56	California Mexican American Veterans' Memorial	56
57	Emergency Food Assistance Program Fund	57
58	California Peace Officer Memorial Foundation Fund	58
59	Birth Defects Research Fund	59
60	Add line 47 through line 59. These are your total contributions	60

## Step 11

### Refund or Amount You Owe

61	REFUND OR NO AMOUNT DUE. Subtract line 60 from line 45. Mail to: FRANCHISE TAX BOARD, PO BOX 942840, SACRAMENTO CA 94240-0000	61
62	AMOUNT YOU OWE. Add line 46 and line 60. Make a check/money order payable to "Franchise Tax Board" for the full amount. Write your social security number and "1999 Form 540" on it. Attach it to the front of your Form 540 and mail to: FRANCHISE TAX BOARD, PO BOX 942867, SACRAMENTO CA 94267-0001	62

## Step 12

### Interest and Penalties

63	Interest, late return penalties, and late payment penalties	63
64	Underpayment of estimated tax. Fill in circle: <input type="radio"/> FTB 5805 attached <input type="radio"/> FTB 5805F attached	64
65	If you do not need California income tax forms mailed to you next year, fill in circle	65

## Step 13

### Direct Deposit Information

Routing number	
Type: Checking <input type="checkbox"/> Savings <input type="checkbox"/>	Account number

## Sign Here

It is unlawful to forge a spouse's signature.

Joint return? See page 38.

IMPORTANT: See "Sign Your Return" in the Form 540 instructions to find out if you should attach a copy of your complete federal return. Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct and complete.

Your signature	Daytime phone number
X _____	( ) +
Spouse's signature (if filing joint, both must sign)	
X _____	
Paid preparer's signature (declaration of preparer is based on all information of which preparer has any knowledge)	Date
_____	+ + + +
	Paid preparer's SSN/FEIN/PTIN
	_____
Firm's name (or yours if self-employed)	Firm's address
_____	_____

# Instructions for Form 540 — California Resident Income Tax Return

These instructions are based on the Internal Revenue Code (IRC) as of January 1, 1998, and the California Revenue and Taxation Code (R&TC).

## Before You Begin

You must complete your federal income tax return (Form 1040, 1040A, 1040EZ, or federal TeleFile Tax Record) before you begin your California Form 540. You will use information from your federal income tax return to complete your Form 540. Be sure to complete and mail Form 540 by April 17, 2000. If you cannot mail your return by the due date, see page 53.



Tip

You may qualify for the federal earned income credit. See page 3 for more information. There is no comparable state credit.

## Step 1 — Name and Address

If there is a label on the front of your booklet, attach the label to your return after you have completed it. Make sure that the information on your label is correct. Cross out any errors and print the correct information.

**If there is no label**, print your name and address in the spaces provided at the top of Form 540. See page 6, Helpful Hints, "Filling in your return."

If you lease a mailbox from a private business be sure to enter your mailbox number in the field labeled "PMB no."

## Step 1a — Social Security Number

Enter your social security number(s) in the spaces provided. To protect your privacy, your social security number(s) are not printed on your label. If you file a joint return, show the social security numbers in the same order that you show both names.

**Note:** If you do not have a social security number because you are a nonresident or resident alien for federal tax purposes, and the IRS issued you an Individual Taxpayer Identification Number (ITIN), enter the ITIN in the spaces for the social security number.

## Step 2 — Filing Status

Fill in only one of the circles for line 1 through line 5. Be sure to enter the required additional information if you filled in the circle for line 3 or line 5.

Your filing status for California must be the same as the filing status you used on your federal income tax return. If you did not file a federal return because you did not have a federal filing requirement, use the filing status you would have used had you been required to file.

**Exception for married taxpayers who file a joint federal income tax return** — You may file either a joint return or separate returns if either spouse was:

- An active member of the United States Armed Forces (or any auxiliary military branch) during 1999; or
- A nonresident for the entire year and had no income from California sources during 1999.

However, if you file a joint return and if either spouse was a nonresident in 1999, you must file Form 540NR, California Nonresident or Part-Year Resident Income Tax Return.

**You Are Married and File a Separate Return:** Enter your spouse's name on line 3 and social security number in the space provided in "Step 1a."

**Note:** Community property rules apply to the division of income if you use the married filing separate status. For more information, get FTB Pub. 1031, Guidelines for Determining Resident Status and FTB Pub. 1051A, Guidelines for Married Filing Separate Returns.

## Head of Household

This filing status is for unmarried individuals who provide a home for certain other persons. Before you select this filing status, see the requirements and self-test for head of household beginning on page 49.

**Note:** It is no longer necessary to write the name of the qualifying individual on the return.

## Step 3 — Exemptions

### Line 6 — Can be Claimed as a Dependent

Fill in circle on line 6 if your parent (or someone else) can claim you as a dependent on his or her tax return.

### Line 7 — Personal Exemptions

Did you fill in the circle on line 6?

- No** Follow the instructions on Form 540, line 7.  
**Yes** Ignore the instructions on Form 540, line 7. Instead, enter in the box on line 7 the amount shown below for your filing status:
- Single or married filing separate, enter -0-;
  - Head of household, enter -0-;
  - Married filing joint and both you and your spouse can be claimed as dependents, enter -0-; or
  - Married filing joint and only one spouse can be claimed as a dependent, enter 1.

### Line 8 — Blind Exemptions

The first year you claim this exemption credit, you must attach a doctor's statement to the back of Form 540 indicating you or your spouse are visually impaired. You are visually impaired if you cannot see better than 20/200 while wearing glasses or contact lenses, or if your field of vision is not more than 20 degrees.

**Caution:** An individual who is someone else's dependent may not claim this credit.

### Line 9 — Senior Exemptions

If you were 65 years of age or older by December 31, 1999, you should claim an additional exemption credit on line 9. If you are married, each spouse 65 years of age or older should claim an additional credit.

**Caution:** An individual who is someone else's dependent may not claim this credit.

### Line 11 — Dependent Exemptions

To claim an exemption credit for each of your dependents, write each dependent's name and relationship to you in the space provided. The persons you list as dependents must be the same persons you listed as dependents on your federal income tax return. Count the number of dependents listed and enter the total in the box on line 11. Multiply the number you entered by the pre-printed dollar amount and enter the result.

## Step 4 — Taxable Income

Refer to your completed federal income tax return to complete "Step 4."

### Line 12 — State Wages

Enter the total amount of your state wages from all states from each of your Form(s) W-2. This amount should be on Form W-2, box 17.

If you received wages and do not have a Form W-2, see the instructions for "Sign Your Return" on page 26.



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**Line 14 – California Adjustments — Subtractions (from Schedule CA (540), line 33, column B)**

If there are differences between your federal and California income or deductions, you must complete Schedule CA (540), California Adjustments — Residents. Follow the instructions for Schedule CA (540) beginning on page 43. Enter on this line the amount from Schedule CA (540), line 33, column B.

**Line 15 – Subtotal**

Subtract the amount on line 14 from the amount on line 13. Enter the result on line 15. If the amount on line 13 is less than zero, combine the amounts on line 13 and line 14 and enter the result in parentheses. For example: "(12,325)."

**Line 16 – California Adjustments — Additions (from Schedule CA (540), line 33, column C)**

If there are differences between your federal and California income or deductions, you must complete Schedule CA (540), California Adjustments — Residents. Follow the instructions for Schedule CA (540) beginning on page 43. Enter on this line the amount from Schedule CA (540), line 33, column C.

**Line 18 – California Standard Deduction or California Itemized Deductions**

You must decide whether to take the standard deduction or itemize your charitable contributions, medical expenses, interest paid, taxes, etc. Your California income tax will be less if you take the **larger** of:

- Your California itemized deductions; or
- Your California standard deduction.

If you are married and file a separate return, both you and your spouse must either itemize your deductions or take the standard deduction.

**Itemized deductions.** Figure your California itemized deductions by completing Schedule CA (540), Part II, line 35 through line 40. Enter the result on Form 540, line 18.

**Note:** If you did not itemize deductions on your federal income tax return but will itemize deductions for your California Form 540, first complete a federal Schedule A, Itemized Deductions. Then complete Schedule CA (540), Part II, line 35 through line 40.

**Standard deduction.** Find your standard deduction on the California Standard Deduction Chart For Most People, below. If you filled in the circle on Form 540, line 6, use the California Standard Deduction Worksheet For Dependents, on this page, instead.

**California Standard Deduction Chart for Most People**

Do not use this chart if your parent, or someone else, can claim you (or your spouse, if married) as a dependent on his or her tax return.

Your Filing Status	Enter On Line 18
1 – Single	\$2,711
2 – Married filing joint return	\$5,422
3 – Married filing separate return	\$2,711
4 – Head of household	\$5,422
5 – Qualifying widow(er)	\$5,422

**Note:** The California standard deduction amounts are less than the federal standard deduction amounts.

**California Standard Deduction Worksheet for Dependents**

Use this worksheet only if your parent, or someone else, can claim you (or your spouse if married) as a dependent on his or her tax return.

- Enter your earned income from: line 1 of the "Standard Deduction Worksheet for dependents" in the instructions for federal form 1040; Form 1040A; or from line A of the worksheet on the back of Form 1040EZ. If you used federal Telefile, add \$250 to the total of your wages from all Form(s) W-2, box 1 and enter the result here ..... 1 \_\_\_\_\_
- Minimum standard deduction ..... 2 \$700.00
- Enter the **larger** of line 1 or line 2 here ..... 3 \_\_\_\_\_
- Enter the amount shown for your filing status:
  - Single or married filing separate, enter \$2,711
  - Married filing joint, head of household, or qualifying widow(er), enter \$5,422
 } ..... 4 \_\_\_\_\_
- Standard deduction.** Enter the **smaller** of line 3 or line 4 here and on Form 540, line 18 ..... 5 \_\_\_\_\_

**Step 5 — Tax**

When you figure your tax, be sure to use the correct filing status and taxable income amount.

**Line 20 – Tax**

To figure your tax, use one of the following methods and fill in the matching circle on line 20:

- **Tax Table.** If your taxable income on line 19 is \$100,000 or less, you must use the tax table beginning on page 57. Be sure you use the correct filing status column in the tax table.
- **Tax Rate Schedules.** If your taxable income on line 19 is over \$100,000, you must use the tax rate schedules on page 62.
- **FTB 3800.** Generally, you must use form FTB 3800, Tax Computation for Children Under Age 14 With Investment Income, to figure the tax on a separate Form 540 for your child who was under age 14 on January 1, 2000, and who had more than \$1,400 of investment income. Attach form FTB 3800 to the child's Form 540.
- **FTB 3803.** If, as a parent, you elect to report your child's interest and dividend income of \$7,000 or less (but not less than \$700) on your return, complete form FTB 3803, Parents' Election to Report Child's Interest and Dividends. You must file a separate form FTB 3803 for each child whose income you elect to include on your Form 540. Add the amount of tax, if any, from each form FTB 3803, line 9, to the amount of your tax from the tax table or tax rate schedules and enter the result on Form 540, line 20. Attach form(s) FTB 3803 to your return.

**Line 21 – Exemption Credits**

Use your exemption credits to reduce your tax. If your federal adjusted gross income (AGI) on line 13 is above the amounts described below, your credits will be limited.

If your filing status is: Is Form 540, line 13 more than:  
 Single or married filing separate ..... \$119,813  
 Married filing joint or qualifying widow(er) ..... \$239,628  
 Head of household ..... \$179,720

**Yes** Complete the AGI Limitation Worksheet on the next page.

**No** Follow the instructions on Form 540, line 21.



**AGI Limitation Worksheet**

- a** Enter the amount from Form 540, line 13 ..... **a** \_\_\_\_\_
- b** Enter the amount for your filing status on line b:  
Single or married filing separate ..... \$119,813  
Married filing joint or  
qualifying widow(er) ..... \$239,628 **b** \_\_\_\_\_  
Head of household ..... \$179,720
- c** Subtract line b from line a ..... **c** \_\_\_\_\_
- d** Divide line c by \$2,500 (\$1,250 if married filing  
separate). **Note:** If the result is not a whole  
number, round it to the next higher whole number **d** \_\_\_\_\_
- e** Multiply line d by \$6 ..... **e** \_\_\_\_\_
- f** Add the numbers from the **boxes** on Form 540, line 7,  
line 8, and line 9 (not dollar amounts) .. **f** \_\_\_\_\_
- g** Multiply line e by line f ..... **g** \_\_\_\_\_
- h** Enter the dollar amount (that you filled in) from  
Form 540, line 10 ..... **h** \_\_\_\_\_
- i** Subtract line g from line h. If zero or less, enter -0- **i** \_\_\_\_\_
- j** Enter the number from the box on form 540, line 11  
(not the dollar amount) ..... **j** \_\_\_\_\_
- k** Multiply line e by line j ..... **k** \_\_\_\_\_
- l** Enter the dollar amount (that you filled in) from  
Form 540, line 11 ..... **l** \_\_\_\_\_
- m** Subtract line k from line l. If zero or less, enter -0- **m** \_\_\_\_\_
- n** Add line i and line m. Enter the result here and on  
Form 540, line 21. If zero or less, enter -0- **n** \_\_\_\_\_

**Line 23 – Tax from Schedule G-1 and form FTB 5870A**

Fill-in the circle for and enter the amount of taxes from:

- Schedule G-1, Tax on Lump-Sum Distributions; and
- Form FTB 5870A, Tax on Accumulation Distribution of Trusts.

**Step 6 — Special Credits & Nonrefundable Renter's Credit**

A variety of California tax credits are available to reduce your tax if you qualify.

To figure and claim most special credits, you must complete a separate form or schedule and attach it to your Form 540. The Credit Chart on the next page describes the credits and provides the name, credit code, and number of the required form or schedule. Many credits are limited to a certain percentage or a certain dollar amount. In addition, the total amount you may claim for all credits is limited by tentative minimum tax (TMT). Answer the following questions before you claim credits on your tax return.

1. Do you qualify to claim the nonrefundable renter's credit? Complete the qualification record on page 16. Check ☐ **Yes** or ☐ **No**, then go to Question 2.
2. Are you claiming any other special credit listed on the Credit Chart on the next page?
 

**No** If you checked "Yes" for Question 1 and entered an amount on Form 540, line 31, go to line 33. If you checked "No" for Question 1, skip to the instructions for line 34.

**Yes** Figure your credit using the form, schedule, worksheet, or certificate identified in the Credit Chart. Then go to Box A to see if the total amount you may claim for all credits is limited by TMT. If you checked "Yes" for Question 1, be sure that you entered your nonrefundable renter's credit on line 31.

**Box A –** Did you complete federal Schedule C, D, E, or F and claim or receive any of the following:

- Accelerated depreciation in excess of straight-line;
- Intangible drilling costs;
- Depletion;
- Circulation expenditures;
- Research and experimental expenditures;
- Mining exploration/development costs;
- Amortization of pollution control facilities;
- Income/loss from tax shelter farm activities;
- Income/loss from passive activities;
- Income from long-term contracts using the percentage of completion method;
- Pass-through AMT adjustment from an estate or trust reported on Schedule K-1 (541); or
- Excluded gain on the sale of qualified small business stock

**Yes** Get and complete Schedule P (540).

**No** Go to Box B.

**Box B –** Did you claim or receive any of the following:

- Investment interest expense **226**;
- Income from incentive stock options in excess of the amount reported on your return **225**;
- Charitable contribution deduction for appreciated property **224**;
- Income from installment sales of certain property; or
- Net operating loss deduction or disaster loss carryover reported on form(s) FTB 3805V, 3805Z, 3806, or 3807.

**Yes** Get and complete Schedule P (540).

**No** Go to Box C.

**Box C –** If your filing status is: Is Form 540, line 17 more than:

- Single or head of household ..... \$165,231  
Married filing joint or qualifying widow(er) ..... \$220,308  
Married filing separate ..... \$110,153

**Yes** Get and complete Schedule P (540).

**No** Your credits are not limited. Go to the instructions for Form 540, line 28.

**Line 28 through Line 30 – Additional Special Credits**

Each credit has a code number. To claim only one or two credits, enter the credit name, code number, and amount of the credit on lines 28 and 29. To claim more than two credits, use Schedule P (540). List two of the credits on lines 28 and 29. Enter the total of any remaining credits from Schedule P (540) on line 30.

**Important:** Attach Schedule P (540) and any supporting schedules or statements to your Form 540.

**Carryovers:** If you claim a credit with carryover provisions and the amount of the credit available this year exceeds your tax, you may carry over any excess credit to future years until the credit is used (unless the carryover period is a fixed number of years). If you claim a credit carryover for an expired credit and were not required to complete Schedule P (540) for line 21, use form FTB 3540, Credit Carryover Summary, to figure the amount of the credit. Otherwise, enter the amount of the credit on Schedule P (540), Part IV, and do not attach form FTB 3540.

**CREDIT CHART**

<b>Credit Name</b>	<b>Code</b>	<b>Description</b>
Child Adoption – Worksheet follows this chart	197	50% of qualified costs in the year an adoption is ordered
Community Development Financial Institution Deposits – Obtain certification from: California Organized Investment Network (COIN), Department of Insurance, 300 Capitol Mall, Suite 1460, Sacramento CA 95814	209	20% of each qualified deposit made to a community development financial institution
Dependent Parent – Worksheet follows this chart	173	Must use married filing separate filing status and have a dependent parent
Disabled Access for Eligible Small Businesses – FTB 3548	205	Similar to the federal credit but limited to \$125 based on 50% of qualified expenditures that do not exceed \$250
Donated Agricultural Products Transportation – FTB 3547	204	50% of the costs paid or incurred for the transportation of agricultural products donated to nonprofit charitable organizations
Employer Child Care Contribution – FTB 3501	190	Employer: 30% of contributions to a qualified plan
Employer Child Care Program – FTB 3501	189	Employer: Cost of establishing a child care program or constructing a child care facility
Enhanced Oil Recovery – FTB 3546	203	One third of the similar federal credit and limited to qualified enhanced oil recovery projects located within California
Enterprise Zone Employee – FTB 3553	169	15% of wages from work in an enterprise zone
Enterprise Zone Hiring & Sales or Use Tax – FTB 3805Z	176	Business incentives for enterprise zone businesses
Farmworker Housing – Obtain certification from: Farmworker Housing Assistance Program, California Tax Credit Allocation Committee, 915 Capitol Mall, Rm 485, Sacramento CA 95814	207	50% of new construction or rehabilitation costs for farmworker housing
Joint Custody Head of Household – Worksheet follows this chart	170	30% of tax up to \$288 for single or married filing separate taxpayers who have a child and meet support test
Local Agency Military Base Recovery Area (LAMBRA) Hiring & Sales or Use Tax – FTB 3807	198	Business incentives for LAMBRA's
Low-Income Housing – FTB 3521	172	Similar to the federal credit but limited to low-income housing in California
Manufacturers' Investment – FTB 3535	199	6% of the cost of qualified property
Manufacturing Enhancement Area (MEA) Hiring – FTB 3808	211	Percentage of qualified wages paid to qualified disadvantaged individuals
Nonrefundable Renter's — See page 16	None	For California residents who paid rent for their principal residence for at least 6 months in 1999 and whose AGI does not exceed a certain limit
Other State Tax – Schedule S	187	Net income tax paid to another state or a U.S. possession on income also taxed by California
Prior Year Alternative Minimum Tax – FTB 3510	188	Must have paid alternative minimum tax in a prior year and have no alternative minimum tax liability in 1999
Prison Inmate Labor – FTB 3507	162	10% of wages paid to prison inmates
Research – FTB 3523	183	Similar to the federal credit but limited to costs for research activities in California
Rice Straw – Obtain certification from: Rice Straw Tax Credit Program, Department of Food and Agriculture, 1220 N Street, Rm 409, Sacramento, CA 95814	206	\$15 per ton of purchased rice straw grown in California
Salmon & Steelhead Trout Habitat Restoration – Obtain certification from: Department of Fish & Game, c/o FISH-Timber Tax Credits Program, PO Box 944209, Sacramento CA 95244-2090	200	The lesser of 10% of qualified costs or other amount determined by the Department of Fish and Game
Senior Head of Household – Worksheet follows this chart	163	2% of taxable income up to \$883 for seniors who qualified for head of household and the qualifying individual died during 1997 or 1998
Targeted Tax Area (TTA) Hiring & Sales or Use Tax – FTB 3809	210	Business incentives for TTA businesses

**Repealed Credits:** The expiration dates for these credits have passed. However, these credits had carryover features. You may claim these credits only if there is a carryover available from prior years. If you are not required to complete Schedule P (540), get form FTB 3540, Credit Carryover Summary, to figure your credit carryover to future years.

Agricultural Products	175	Energy Conservation	182	Residential Rental & Farm Sales	186
Commercial Solar Electric System	196	Los Angeles Revitalization Zone (LARZ)		Ridesharing	171
Commercial Solar Energy	181	Hiring & Sales or Use Tax	159	Solar Energy	180
Employee Ridesharing	194	Low-Emission Vehicles	160	Solar Pump	179
Employer Ridesharing: Large employer	191	Orphan Drug	185	Water Conservation	178
Small employer	192	Political Contributions	184	Young Infant	161
Transit passes	193	Recycling Equipment	174		

**Credit for Joint Custody Head of Household — Code 170**

**Note:** You may not claim this credit if you used either the head of household or qualifying widow(er) filing status.

You may claim a credit if you were unmarried at the end of 1999 (or if married, you lived apart from your spouse for all of 1999 and you used the married filing separate filing status); and if you furnished more than one-half the household expenses for your home that also served as the home of your child, step-child, or grandchild for at least 146 days but not more than 219 days of the taxable year. If the child is married, you must be entitled to claim a dependent exemption credit for the child.

Also, the custody arrangement for the child must be part of a decree of dissolution or separate maintenance or must be part of a written agreement between the parents where the proceedings have been initiated, but a decree of dissolution or separate maintenance has not yet been issued.

Use the worksheet below to figure this credit.

1. Enter the amount from Form 540, line 24 . **1** \_\_\_\_\_
2. Enter the form FTB 5870A tax, if any,  
included on Form 540, line 23 . . . . . **2** \_\_\_\_\_
3. Subtract line 2 from line 1 . . . . . **3** \_\_\_\_\_
4. Credit percentage — 30% . . . . . **4** x .30
5. Credit amount. Multiply line 3 by line 4.  
Enter the result or \$288, whichever is less **5** \_\_\_\_\_

**Credit for Dependent Parent — Code 173**

**Note:** You may not claim the credit for dependent parent if you used the single, head of household, qualifying widow(er) or married filing joint filing status.

You may claim this credit only if:

- You were married at the end of 1999 and you used the married filing separate filing status;
- Your spouse was not a member of your household during the last six months of the year; and
- You furnished over one-half the household expenses for your dependent mother's or father's home, whether or not she or he lived in your home.

To figure the amount of this credit, use the worksheet for the credit for joint custody head of household.

**Credit for Senior Head of Household — Code 163**

You may claim this credit if you:

- Were 65 years of age or older on December 31, 1999;
- Qualified as a head of household in 1997 or 1998 by providing a household for a qualifying individual who died during 1997 or 1998; and
- Did not have adjusted gross income over \$46,863 for 1999.

**Note:** If you meet all the conditions listed above, you do not need to qualify to use the head of household filing status for 1999 in order to claim this credit.

Use this worksheet to figure this credit.

1. Enter the amount from Form 540, line 19 **1** \_\_\_\_\_
2. Credit percentage — 2% . . . . . **2** x .02
3. Credit amount. Multiply line 1 by line 2.  
Enter the result or \$883, whichever is less **3** \_\_\_\_\_

**Credit for Child Adoption Costs — Code 197**

For the year in which an order of adoption is entered, you may claim a credit for 50% of the cost of adopting a child who is a citizen or legal resident of the United States and who was in the custody of a California public agency or a California political subdivision. You may include the following costs if directly related to the adoption process:

- Fees of the Department of Social Services or a licensed adoption agency;
- Medical expenses not reimbursed by insurance; and
- Travel expenses for the adoptive family.

**Note:** Any deduction for the expenses used to claim this credit must be reduced by the amount of the child adoption costs credit claimed.

Use the worksheet below to figure this credit. If more than one adoption qualifies for this credit, complete a separate worksheet for each adoption. The maximum credit is limited to \$2,500 per minor child.

1. Enter qualifying costs for the child . . . . . **1** \_\_\_\_\_
2. Credit percentage — 50% . . . . . **2** x .50
3. Credit amount. Multiply line 1 by line 2.  
Do not enter more than \$2,500 . . . . . **3** \_\_\_\_\_

Your allowable credit is limited to \$2,500 for 1999. You may carry over the excess credit to future years until the credit is used.

**Line 31 — Nonrefundable renter's credit**

Go to the instructions for "Step 6" on page 33.

**Line 34 —** Subtract the amount on line 33 from the amount on line 25. Enter the result on line 34. If the amount on line 33 is more than the amount on line 25, enter -0-. If you owe interest on deferred tax from installment obligations, include the additional tax, if any, in the amount you enter on line 34. Write "IRC Section 453 interest" or "IRC Section 453A interest" and the amount on the dotted line to the left of the amount on line 34.

**Step 7 — Other Taxes**

Attach the specific form or statement required for each entry in this step.

**Line 35 — Alternative Minimum Tax (AMT)**

If you claim certain types of deductions, exclusions and credits, you may owe AMT if your total income is more than: \$58,749 if married filing joint or qualifying widow(er); \$44,062 if single or head of household; or \$29,374 if married filing separate.

A child under age 14 may owe AMT if the sum of the amount on line 19 (taxable income) and any preference items listed on Schedule P (540) and included on the return is more than the sum of \$5,100 and the child's earned income.

AMT income does not include income, adjustments and items of tax preference related to any trade or business of a qualified taxpayer who has gross receipts, less returns and allowances, during the taxable year of less than \$1,000,000 from **all** trades or businesses.

Get Schedule P (540) for more information.

**Line 36 — Other Taxes and Credit Recapture**

If you used form(s) FTB 3501, Employer Child Care Program/Contribution Credit; FTB 3535, Manufacturers' Investment Credit; FTB 3805P, Additional Taxes Attributable to IRAs, Other Qualified Retirement Plans, Annuities, Modified Endowment Contracts and MSAs; FTB 3805Z,

Enterprise Zone Deduction and Credit Summary; FTB 3806, Los Angeles Revitalization Zone (LARZ) Deduction and Credit Summary; FTB 3807, Local Agency Military Base Recovery Area Deduction and Credit Summary; FTB 3808, Manufacturing Enhancement Area credit Summary; or FTB 3809, Targeted Tax Area Deduction and Credit Summary; include the additional tax, if any, on line 36. Write the form number on the dotted line to the left of the amount on line 36.

## Step 8 — Payments

Make sure you have your Form(s) W-2, W-2G, 1099-MISC, and 1099-R, and any other Form(s) 1099 showing California income tax withheld.

### Line 38 — California Income Tax Withheld

Enter the total California income tax withheld from your:

- Form(s) W-2, box 18;
- Form(s) W-2G, box 14;
- Form(s) 1099-MISC, box 11; or
- Form(s) 1099-R, box 10.

**Caution:** Do not include city or county tax withheld or tax withheld by other states.

If you also received Form(s) 1099 showing California income tax withheld ("backup withholding") on dividends and interest income, real estate sales and partnership distributions, include the amount(s) withheld in the total on line 38 and attach a copy of the form 1099 to your return.

### Line 39 — 1999 CA Estimated Tax and Amount Applied from 1998 Return

Enter the total of any:

- California estimated tax payments you made using 1999 Form 540-ES;
- Overpayment from your 1998 California income tax return that you applied to your 1999 estimated tax;
- Payment you sent with form FTB 3519, Payment Voucher for Automatic Extension for Individuals; and
- California estimated tax payments made on your behalf by an estate or trust on Schedule K-1 (541).

If you and your spouse paid joint estimated tax but are now filing separate returns, either of you may claim all of the amount paid or you may each claim a part of it. Attach a statement, signed by you and your spouse, explaining how you want your payments divided. Show both social security numbers on your separate returns. If you or your spouse made separate estimated tax payments, but are now filing a joint income tax return, add the amounts you each paid. Attach a statement to the front of Form 540 explaining that payments were made under both social security numbers.

### Line 41 — Excess California SDI (or VPDI) Withheld

If more than \$158.84 of California State Disability Insurance (SDI) or Voluntary Plan Disability Insurance (VPDI) was withheld from your wages by a single employer, or if an employer withheld SDI (or VPDI) at a rate of more than 0.5% of your gross wages, you may **not** claim excess SDI (or VPDI) on your Form 540, line 41 for the amount over-withheld by your employer. Contact the employer for a refund.

You may claim a credit for excess SDI (or VPDI) only if you meet the following conditions:

- You had **two or more** employers during 1999;
- You received more than \$31,767 in wages during 1999 from these employers;

- Your employers combined withheld more than \$158.84 of SDI (or VPDI) from your wages; and
- The amounts of SDI (or VPDI) withheld appear on your Forms W-2. Be sure to attach your Forms W-2 to your Form 540.

Complete the following Excess SDI (or VPDI) Worksheet to figure the amount to enter on line 41.

Excess SDI (or VPDI) Worksheet		You	Your Spouse
If you are married and file a joint return, you must figure the amount of excess SDI (or VPDI) <b>separately for each spouse.</b>			
1. Add amounts of SDI (or VPDI) withheld shown on your Forms W-2. Enter the total here	1		
2. 1999 SDI (or VPDI) limit	2	\$158.84	\$158.84
3. Excess SDI (or VPDI) withheld. Subtract line 2 from line 1. Enter the result here and on Form 540, line 41	3		
<b>Note:</b> If zero or less, enter -0- on line 41.			

## Step 9 — Overpaid Tax or Tax Due

To avoid a delay in the processing of your return, be sure you enter the correct amounts on line 43 through line 46.

### Line 43 — Overpaid Tax

If the amount on line 42 is more than the amount on line 37, your payments and credits are more than your tax. Subtract the amount on line 37 from the amount on line 42. Enter the result on line 43.

### Line 44 — Amount You Want Applied to Your 2000 Estimated Tax

You may apply all or part of the amount on line 43 to your estimated tax for 2000. Enter on line 44 the amount of line 43 that you want applied to 2000.

### Line 45 — Overpaid Tax Available This Year

If you entered an amount on line 44, subtract it from the amount on line 43. Enter the result on line 45. You may choose to have this entire amount refunded to you or you may make contributions to the California Seniors Special Fund or make other voluntary contributions from this amount. If you make a contribution, skip line 46 and go to Step 10.

### Line 46 — Tax Due

If the amount on line 42 is less than the amount on line 37, subtract the amount on line 42 from the amount on line 37. Enter the result on line 46. Your tax is more than your payments and credits.

There is a penalty for not paying enough tax during the year. You may have to pay a penalty if:

- The tax due on line 46 is \$200 or more (\$100 or more if married filing separate); and
- The amount of state income tax withheld on line 38 is less than 80% of the amount of your total tax on line 37.

If you owe a penalty, the Franchise Tax Board will figure the penalty and send you a bill.



You may make contributions to the California Seniors Special Fund or make other voluntary contributions by adding them to the tax due. You must pay the full amount of tax due, including contributions, when you file your Form 540.

## Step 10 — Contributions

You may make contributions in whole-dollar amounts only. If you make one or more contributions, you must complete "Step 10." You may contribute to only the following funds and cannot change the amount you contributed after the return is filed.

If you have overpaid tax available on line 45, the amount you contribute must be subtracted from your overpaid tax available. If you have tax due on line 46, your total contributions must be added to your tax due.

### Line 47 — Contribution to California Seniors Special Fund

If you and/or your spouse are 65 years of age or older and claim the Senior Exemption Credit on line 9, you may make a combined total contribution of up to \$144 or \$72 per spouse. Contributions entered on line 47 will be distributed to the Area Agency of Aging Councils (TACC) to provide advice on and sponsorship of Senior Citizen issues. Any excess contributions not required by TACC will be distributed to senior citizen service organizations throughout California for meals, adult day care, and transportation.

### Voluntary Contributions for Line 48 through Line 59

You may make voluntary contributions of \$1 or more in whole dollar amounts for line 48 to line 59.

### Line 48 — Alzheimer's Disease/Related Disorders Fund

Contributions entered on line 48 will be used to conduct a program for researching the cause and cure of Alzheimer's disease and related disorders and research into the care and treatment of persons suffering from dementing illnesses.

### Line 49 — California Fund for Senior Citizens

Contributions entered on line 49 will provide for Senior Citizens Adult Day Health Care Centers, nutrition centers, respite care, long-term care, senior citizen abuse prevention programs, Alzheimer day care programs, and the California Senior Legislature (CSL). The CSL are volunteers who prioritize statewide requirements of seniors and propose legislation in areas of health, housing, transportation, and community services. Any excess contributions not required by the CSL will be distributed to senior citizen service organizations throughout California.

### Line 50 — Rare and Endangered Species Preservation Program

Contributions entered on line 50 will be used to help protect and conserve California's many threatened and endangered species and the wild lands that they need to survive, for the enjoyment and benefit of you and future generations of Californians.

### Line 51 — State Children's Trust Fund for the Prevention of Child Abuse

Contributions entered on line 51 will be used to fund programs for the prevention, intervention, and treatment of child abuse and neglect.

### Line 52 — California Breast Cancer Research Fund

Contributions entered on line 52 will be used to conduct research relating to the prevention, screening, cure, and treatment of breast cancer.

### Line 53 — California Firefighters' Memorial Fund

Contributions entered on line 53 will be used for the construction of a memorial on the grounds of the State Capitol honoring the hundreds of firefighters who have died protecting our neighborhoods, our homes, our families, and our dreams. These brave men and women answered the call when fire alarms sounded or when paramedic services were needed, and their sacrifices and the sacrifices of their families deserve to be remembered.

### Line 54 — California Public School Library Protection Fund

Contributions entered on line 54 will be expended for the purchase of books and other library resources through grants awarded for implementing a school library improvement plan.

### Line 55 — D.A.R.E. California (Drug Abuse Resistance Education) Fund

Contributions entered on line 55 will be used to support local D.A.R.E. programs and provide proven effective, in-classroom anti-drug, anti-gang, and anti-violence education for California school children.

### Line 56 — California Mexican American Veterans' Memorial

Contributions entered on line 56 will be used to pay for the construction, beautification, enhancement, maintenance, or repair of the California Mexican American Veterans' Memorial.

### Line 57 — Emergency Food Assistance Program Fund

Contributions entered on line 57 will be used to help local food banks feed California's hungry. Your contribution will fund the purchase of much-needed food for delivery to food banks, pantries, and soup kitchens throughout the state. The State Department of Social Services will monitor its distribution to ensure the food is given to those most in need.

### Line 58 — California Peace Officer Memorial Foundation Fund

Contributions entered on line 58 will permit the Foundation to preserve the memory of our fallen comrades by maintaining a Memorial on State Capitol grounds, and updating it annually to memorialize officers killed in the line of duty each year. Beginning with California statehood, peace officers have laid their lives on the line to protect law-abiding citizens. Since then over 1,300 courageous peace officers have fallen in the line of duty. The California Peace Officer Memorial Foundation is a non-profit charitable organization committed to honoring those heroes by assisting their survivors by offering moral support, counseling, and financial support, including academic scholarships for the children of those officers who have made the supreme sacrifice. On behalf of all of us and the law-abiding citizens of California we thank you for your participation.

### Line 59 — Birth Defects Research Fund

Contributions entered on line 59 will be used to find causes of birth defects, which strike 1 of every 33 babies born each year. Birth defects are the leading cause of death and disability in children, yet in most cases, we don't know why they happen. Give now and help wipe out birth defects in our lifetime.

### Line 60 — Total Contributions

Add line 47 through line 59. Enter the result on line 60. If you show an amount on Form 540, line 45, you must subtract the amount you contribute from the amount of overpaid tax. If you show, an amount on Form 540, line 46, you must add your total contributions to your tax due.

## Step 11 — Refund or Amount You Owe

Be sure to add or subtract correctly to figure the amount of your refund or the amount you owe.

### Line 61 — Refund or No Amount Due

If you did not enter an amount on line 60, enter the amount from line 45 on line 61. This is the amount that will be refunded to you. If it is less than \$1, you must attach a written statement to your Form 540 requesting the refund.

If you entered an amount on line 60, subtract it from the amount on line 45. If the result is zero or more, enter it on line 61. To have your refund directly deposited into your bank account, go to Step 13, Direct Deposit of Refund, then skip to the instructions for Step 12.

If the result is less than zero, your contributions are more than your overpaid tax available on line 45. In this case, do not enter an amount on line 61. Instead, subtract the amount on line 45 from the amount on line 60. Enter the result on line 62 and see the instructions for line 62.





**Want a fast refund?** Get your refund in 10 days or less when you efile your return. See page 8 for more information.



### Line 62 – Amount You Owe

If you did not enter an amount on line 60, enter the amount from line 46 on line 62. This is the amount you owe with your Form 540.

If you entered an amount on line 60, add that amount to the amount on line 46. Enter the result on line 62. This is the amount you owe with your Form 540.

To avoid a late filing penalty, file your Form 540 by the due date even if you cannot pay the amount you owe.

Do not combine your 1999 tax payment and any 2000 estimated tax payment in the same check. Prepare two separate checks and mail each in a separate envelope.

**Paying by Check or Money Order** – Make your check or money order payable to the “Franchise Tax Board” for the full amount you owe. Do not send cash. Be sure to write your social security number and “1999 Form 540” on your check or money order. Attach your check or money order to your return. See page 6, Helpful Hints, “Assembling Your Return.” A penalty may be imposed if your check is returned by your bank for insufficient funds.

**Note:** If you entered an amount on line 63 or line 64, see the instructions for those lines for information about how to prepare your check.

**Paying by Credit Card** – For information about paying using your Discover/NOVUS, MasterCard, or American Express card, see page 54.

If you cannot pay the full amount shown on line 62 with your return, you may request to make monthly payments. See page 55, Question 4.

## Step 12 — Interest and Penalties

If you file your return or pay your tax after the due date, you may owe interest and penalties on the tax due.

**Note:** Do not reduce the amount on line 43 or increase the amount on line 46 by any penalty or interest amounts.

### Line 63 – Interest and Penalties

Enter on line 63 the amount of interest and late penalties. Figure your payment, if any, as follows:

Is there an amount on line 62?

**Yes** Add line 62, line 63, and line 64, and make your check or money order for the resulting total.

**No** Go to the next question.

Is there an amount on line 61?

**Yes** Add line 63 and line 64. If the result is:

- Less than line 61, your refund will be reduced by that amount when your return is processed.
- More than line 61, subtract line 61 from it and make your check or money order for the resulting total.

**No** Add line 63 and line 64 and make your check or money order for the resulting total.

**Interest.** Interest will be charged on any late filing or late payment penalty from the original due date of the return to the date paid. In addition, if other penalties are not paid within 15 days, interest will be charged from the date of the billing notice until the date of payment. Interest compounds daily and the interest rate is adjusted twice a year.

**Late Filing of Return.** The maximum total penalty is 25% of the tax not paid if the return is filed after October 16, 2000. The minimum penalty for filing a return more than 60 days late is \$100 or 100% of the balance due, whichever is less.

**Late Payment of Tax.** The penalty is 5% of the tax not paid when due plus 1/2% for each month, or part of a month, the tax remains unpaid.

**Other Penalties.** There are also other penalties that can be imposed for a check returned for insufficient funds, negligence, substantial understatement of tax and fraud.

### Line 64 – Underpayment of Estimated Tax

If line 46 is \$200 (\$100 if married filing separate) or more **and** more than 20% of the sum of the tax shown on line 34 (excluding the tax on lump-sum distributions on line 23), **or** you underpaid your 1999 estimated tax liability for any payment period, you may owe a penalty. The Franchise Tax Board can figure the penalty for you when you file your return and send you a bill. Or to see if you owe a penalty and to figure the amount of the penalty, get form FTB 5805, Underpayment of Estimated Tax by Individuals and Fiduciaries (or form FTB 5805F, Underpayment of Estimated Tax by Farmers and Fishermen). If you complete one of these forms, be sure to attach it to the front of your Form 540 on top of any check, money order, Form W-2, Form 1099, or special documentation. Enter the amount of the penalty on line 64 and fill in the correct circle on line 64. You must complete and attach the form if you claim a waiver, use the annualized income installment method or pay tax according to the schedule for farmers and fishermen, even if you do not owe a penalty.

See page 7, Tax Time Tips, for more information on estimated tax payments and how to avoid the underpayment penalty.

See the instructions for line 63 for information about figuring your payment, if any.

### Line 65 – 2000 Tax Forms

If your Form 540 is prepared by someone else, or if you do not need forms mailed to you next year, fill in the circle on line 65.

## Step 13 — Direct Deposit of Refund

It's fast, safe, and convenient to have your refund directly deposited into your bank account.

For further information, see page 26, Part III.

## Sign Your Return

You must sign your return in the space provided on Side 2. If you file a joint return, your spouse must sign it also.

**Joint Return.** If you file a joint return, both you and your spouse are generally responsible for the tax and any interest or penalties due on the return. This means that if one spouse does not pay the tax due, the other may have to. See Innocent Spouse Relief, on page 56.

For further information, see page 26, Part IV.

**1999 California Adjustments — Residents****CA (540)****Important:** Attach this schedule directly behind Form 540, Side 2.

Name(s) as shown on return

Social security number

**Part I Income Adjustment Schedule****Section A — Income**

	<b>A</b> Federal Amounts (taxable amounts from your federal return)	<b>B</b> Subtractions See instructions	<b>C</b> Additions See instructions
<b>7</b> Wages, salaries, tips, etc. See instructions before making an entry in column B or C	<b>7</b>		
<b>8</b> Taxable interest income	<b>8</b>		
<b>9</b> Ordinary dividends	<b>9</b>		
<b>10</b> State tax refund. Enter the same amount in column A and column B	<b>10</b>		
<b>11</b> Alimony received	<b>11</b>		
<b>12</b> Business income or (loss)	<b>12</b>		
<b>13</b> Capital gain or (loss)	<b>13</b>		
<b>14</b> Other gains or (losses)	<b>14</b>		
<b>15</b> Total IRA distributions. See instructions. (a)	(b)		
<b>16</b> Total pensions and annuities. See instructions. (a)	(b)		
<b>17</b> Rental real estate, royalties, partnerships, S corporations, trusts, etc.	<b>17</b>		
<b>18</b> Farm income or (loss)	<b>18</b>		
<b>19</b> Unemployment compensation. Enter the same amount in column A and column B	<b>19</b>		
<b>20</b> Social security benefits (a)	(b)		
<b>21</b> Other income.			
<b>a</b> California lottery winnings		<b>a</b>	<b>a</b>
<b>e</b> NOL from FTB 3805Z, 3806, or 3807		<b>b</b>	<b>b</b>
<b>b</b> Disaster loss carryover from FTB 3805V		<b>c</b>	<b>c</b>
<b>f</b> Other (describe)	<b>21</b>	<b>d</b>	<b>d</b>
<b>c</b> Federal NOL (Form 1040, line 21)		<b>e</b>	<b>e</b>
<b>d</b> NOL carryover from FTB 3805V		<b>f</b>	<b>f</b>
<b>22 Total.</b> Combine line 7 through line 21 in column A. Add line 7 through line 21f in column B and column C. Go to Section B	<b>22</b>		

**Section B — Adjustments to Income**

<b>23</b> IRA deduction	<b>23</b>		
<b>24</b> Student loan interest deduction	<b>24</b>		
<b>25</b> Medical savings account deduction	<b>25</b>		
<b>26</b> Moving expenses	<b>26</b>		
<b>27</b> One-half of self-employment tax	<b>27</b>		
<b>28</b> Self-employed health insurance deduction	<b>28</b>		
<b>29</b> Keogh and self-employed SEP and SIMPLE plans	<b>29</b>		
<b>30</b> Penalty on early withdrawal of savings	<b>30</b>		
<b>31a</b> Alimony paid. (b) Recipient's: SSN _____ - _____ - _____ Last name _____	<b>31a</b>		
<b>32</b> Add line 23 through line 31a in columns A, B, and C	<b>32</b>		
<b>33 Total.</b> Subtract line 32 from line 22 in columns A, B, and C. See the instructions for how to transfer the total to Form 540	<b>33</b>		

**Part II Adjustments To Federal Itemized Deductions**

<b>35</b> Federal itemized deductions. Add the amounts on federal Sch. A (Form 1040), lines 4, 9, 14, 18, 19, 26, and 27	<b>35</b>	
<b>36</b> Enter total of federal Sch. A, line 5 (state and local income tax and State Disability Insurance) and line 8 (foreign taxes only)	<b>36</b>	
<b>37</b> Subtract line 36 from line 35	<b>37</b>	
<b>38</b> Other adjustments including California lottery losses. See instructions. Specify _____	<b>38</b>	
<b>39</b> Combine line 37 and line 38	<b>39</b>	
<b>40</b> Is the amount on Form 540, line 13 more than the amount shown below for your filing status?		
Single or married filing separate \$119,813		
Head of household \$179,720		
Married filing joint or qualifying widow(er) \$239,628		
<b>NO.</b> Transfer the amount on line 39 to line 40.		
<b>YES.</b> Complete the Itemized Deductions Worksheet in the instructions for Sch. CA (540), line 40.		
Is the amount you entered on line 40 more than your standard deduction below?		
Single or married filing separate \$2,711		
Married filing joint, head of household, or qualifying widow(er) \$5,422		
<b>YES.</b> Transfer the amount on line 40 to Form 540, line 18.		
<b>NO.</b> Enter your standard deduction on Form 540, line 18.		

**1999****Depreciation and Amortization Adjustments**

Do not complete this form if your California depreciation amounts are the same as federal amounts.

**3885A**

Name(s) as shown on return

Business or activity to which Form FTB 3885A relates

Social security number

**Part I Identify the activity as passive or nonpassive.** (See instructions.)

- 1 ☐ This form is being completed for a passive activity. ☐ This form is being completed for a nonpassive activity.

**Part II Election to Expense Certain Tangible Property (IRC Section 179).**

- 2 Enter the amount from line 11 of the worksheet in the instructions 2

**Part III Depreciation**

	(a) Description of property placed in service during 1999	(b) Date placed in service	(c) California basis for depreciation	(d) Method	(e) Life or rate	(f) 1999 California depreciation deduction
3						

- 4 Add the amounts on line 3, column (f) 4

- 5 California depreciation for assets placed in service prior to 1999 5

- 6 Total California depreciation from this activity. Add the amounts on line 2, line 4 and line 5 6

- 7 Total federal depreciation from this activity. Enter depreciation from your federal Form 4562, line 21 7

- 8 a If line 6 is more than line 7, enter the difference here and see instructions 8a

- b If line 6 is less than line 7, enter the difference here and see instructions 8b

**Part IV Amortization**

	(a) Description of cost amortizable during 1999	(b) Date placed in service	(c) California basis for amortization	(d) Code section	(e) Period or percentage	(f) 1999 California amortization deduction
9						

- 10 Total California amortization from this activity. Add the amounts on line 9, column (f) 10

- 11 California amortization of costs that began before 1999 11

- 12 Total California amortization from this activity. Add the amounts on line 10 and line 11 12

- 13 Total federal amortization from this activity. Enter amortization from your federal Form 4562, line 42 13

- 14 a If line 12 is more than line 13, enter the difference here and see instructions 14a

- b If line 12 is less than line 13, enter the difference here and see instructions 14b

TAXABLE YEAR

**1999****California Capital Gain or Loss Adjustment**

Do not complete this schedule if all of your California gains (losses) are the same as your federal gains (losses).

SCHEDULE

**D**

	(a) Description of property (identify S corporation stock) Example 100 shares of "Z" (S stock)	(b) Sales price	(c) Cost or other basis	(d) Loss. If (c) is more than (b), subtract (b) from (c)	(e) Gain. If (b) is more than (c), subtract (c) from (b)
1a					
1b					

- 2 Net gain or (loss) shown on California Schedule(s) K-1 (541, 565, 568, and 100S) 2

- 3 Capital gain distributions (federal Form 1099-DIV, box 2a minus box 2d) 3

- 4 Total 1999 gains from all sources. Add column (e) amounts of line 1a, line 1b, line 2, and line 3 4

- 5 1999 loss. Add column (d) amounts of line 1 and line 2 5

- 6 California capital loss carryover from 1998, if any. See instructions 6

- 7 Total 1999 loss. Add line 5 and line 6 7

- 8 Combine line 4 and line 7. If a loss, go to line 9. If a gain, go to line 10 8

- 9 If line 8 is a loss, enter the smaller of: (a) the loss on line 8; or

- (b) \$3,000 (\$1,500 if married filing a separate return). See instructions 9

- 10 Enter the amount from federal Form 1040, line 13 10

- 11 Enter the California gain from line 8 or loss from line 9 11

- 12 a If line 10 is more than line 11, enter the difference here and on Schedule CA (540 or 540NR) line 13, col. B 12a

- b If line 10 is less than line 11, enter the difference here and on Schedule CA (540 or 540NR), line 13, col. C 12b

**1999 California Adjustments — Residents****CA (540)****Important:** Attach this schedule directly behind Form 540, Side 2.

Name(s) as shown on return

Social security number

**Part I Income Adjustment Schedule****Section A — Income**

	<b>A</b> Federal Amounts (taxable amounts from your federal return)	<b>B</b> Subtractions See instructions	<b>C</b> Additions See instructions
<b>7</b> Wages, salaries, tips, etc. See instructions before making an entry in column B or C	<b>7</b>		
<b>8</b> Taxable interest income	<b>8</b>		
<b>9</b> Ordinary dividends	<b>9</b>		
<b>10</b> State tax refund. Enter the same amount in column A and column B	<b>10</b>		
<b>11</b> Alimony received	<b>11</b>		
<b>12</b> Business income or (loss)	<b>12</b>		
<b>13</b> Capital gain or (loss)	<b>13</b>		
<b>14</b> Other gains or (losses)	<b>14</b>		
<b>15</b> Total IRA distributions. See instructions. (a)	(b)		
<b>16</b> Total pensions and annuities. See instructions. (a)	(b)		
<b>17</b> Rental real estate, royalties, partnerships, S corporations, trusts, etc.	<b>17</b>		
<b>18</b> Farm income or (loss)	<b>18</b>		
<b>19</b> Unemployment compensation. Enter the same amount in column A and column B	<b>19</b>		
<b>20</b> Social security benefits (a)	(b)		
<b>21</b> Other income.			
<b>a</b> California lottery winnings		<b>a</b>	<b>a</b>
<b>b</b> Disaster loss carryover from FTB 3805V		<b>b</b>	<b>b</b>
<b>c</b> Federal NOL (Form 1040, line 21)		<b>c</b>	<b>c</b>
<b>d</b> NOL carryover from FTB 3805V		<b>d</b>	<b>d</b>
<b>e</b> NOL from FTB 3805Z, 3806, or 3807		<b>e</b>	<b>e</b>
<b>f</b> Other (describe)		<b>f</b>	<b>f</b>
<b>22 Total.</b> Combine line 7 through line 21 in column A. Add line 7 through line 21f in column B and column C. Go to Section B	<b>22</b>		

**Section B — Adjustments to Income**

<b>23</b> IRA deduction	<b>23</b>		
<b>24</b> Student loan interest deduction	<b>24</b>		
<b>25</b> Medical savings account deduction	<b>25</b>		
<b>26</b> Moving expenses	<b>26</b>		
<b>27</b> One-half of self-employment tax	<b>27</b>		
<b>28</b> Self-employed health insurance deduction	<b>28</b>		
<b>29</b> Keogh and self-employed SEP and SIMPLE plans	<b>29</b>		
<b>30</b> Penalty on early withdrawal of savings	<b>30</b>		
<b>31a</b> Alimony paid. (b) Recipient's: SSN _____ - _____ - _____ Last name _____	<b>31a</b>		
<b>32</b> Add line 23 through line 31a in columns A, B, and C	<b>32</b>		
<b>33 Total.</b> Subtract line 32 from line 22 in columns A, B, and C. See the instructions for how to transfer the total to Form 540	<b>33</b>		

**Part II Adjustments To Federal Itemized Deductions**

<b>35</b> Federal itemized deductions. Add the amounts on federal Sch. A (Form 1040), lines 4, 9, 14, 18, 19, 26, and 27	<b>35</b>	
<b>36</b> Enter total of federal Sch. A, line 5 (state and local income tax and State Disability Insurance) and line 8 (foreign taxes only)	<b>36</b>	
<b>37</b> Subtract line 36 from line 35	<b>37</b>	
<b>38</b> Other adjustments including California lottery losses. See instructions. Specify _____	<b>38</b>	
<b>39</b> Combine line 37 and line 38	<b>39</b>	
<b>40</b> Is the amount on Form 540, line 13 more than the amount shown below for your filing status?		
Single or married filing separate \$119,813		
Head of household \$179,720		
Married filing joint or qualifying widow(er) \$239,628		
<b>NO.</b> Transfer the amount on line 39 to line 40.		
<b>YES.</b> Complete the Itemized Deductions Worksheet in the instructions for Sch. CA (540), line 40.		
Is the amount you entered on line 40 more than your standard deduction below?		
Single or married filing separate \$2,711		
Married filing joint, head of household, or qualifying widow(er) \$5,422		
<b>YES.</b> Transfer the amount on line 40 to Form 540, line 18.		
<b>NO.</b> Enter your standard deduction on Form 540, line 18.		

**1999****Depreciation and Amortization Adjustments**

Do not complete this form if your California depreciation amounts are the same as federal amounts.

**3885A**

Name(s) as shown on return

Business or activity to which Form FTB 3885A relates

Social security number

**Part I Identify the activity as passive or nonpassive.** (See instructions.)

- 1 ☐ This form is being completed for a passive activity. ☐ This form is being completed for a nonpassive activity.

**Part II Election to Expense Certain Tangible Property (IRC Section 179).**

- 2 Enter the amount from line 11 of the worksheet in the instructions 2

**Part III Depreciation**

	(a) Description of property placed in service during 1999	(b) Date placed in service	(c) California basis for depreciation	(d) Method	(e) Life or rate	(f) 1999 California depreciation deduction
3						

- 4 Add the amounts on line 3, column (f) 4

- 5 California depreciation for assets placed in service prior to 1999 5

- 6 Total California depreciation from this activity. Add the amounts on line 2, line 4 and line 5 6

- 7 Total federal depreciation from this activity. Enter depreciation from your federal Form 4562, line 21 7

- 8 a If line 6 is more than line 7, enter the difference here and see instructions 8a

- b If line 6 is less than line 7, enter the difference here and see instructions 8b

**Part IV Amortization**

	(a) Description of cost amortizable during 1999	(b) Date placed in service	(c) California basis for amortization	(d) Code section	(e) Period or percentage	(f) 1999 California amortization deduction
9						

- 10 Total California amortization from this activity. Add the amounts on line 9, column (f) 10

- 11 California amortization of costs that began before 1999 11

- 12 Total California amortization from this activity. Add the amounts on line 10 and line 11 12

- 13 Total federal amortization from this activity. Enter amortization from your federal Form 4562, line 42 13

- 14 a If line 12 is more than line 13, enter the difference here and see instructions 14a

- b If line 12 is less than line 13, enter the difference here and see instructions 14b

TAXABLE YEAR

**1999****California Capital Gain or Loss Adjustment**

Do not complete this schedule if all of your California gains (losses) are the same as your federal gains (losses).

SCHEDULE

**D**

	(a) Description of property (identify S corporation stock) Example 100 shares of "Z" (S stock)	(b) Sales price	(c) Cost or other basis	(d) Loss. If (c) is more than (b), subtract (b) from (c)	(e) Gain. If (b) is more than (c), subtract (c) from (b)
1a					
1b					

- 2 Net gain or (loss) shown on California Schedule(s) K-1 (541, 565, 568, and 100S) 2

- 3 Capital gain distributions (federal Form 1099-DIV, box 2a minus box 2d) 3

- 4 Total 1999 gains from all sources. Add column (e) amounts of line 1a, line 1b, line 2, and line 3 4

- 5 1999 loss. Add column (d) amounts of line 1 and line 2 5

- 6 California capital loss carryover from 1998, if any. See instructions 6

- 7 Total 1999 loss. Add line 5 and line 6 7

- 8 Combine line 4 and line 7. If a loss, go to line 9. If a gain, go to line 10 8

- 9 If line 8 is a loss, enter the smaller of: (a) the loss on line 8; or

- (b) \$3,000 (\$1,500 if married filing a separate return). See instructions 9

- 10 Enter the amount from federal Form 1040, line 13 10

- 11 Enter the California gain from line 8 or loss from line 9 11

- 12 a If line 10 is more than line 11, enter the difference here and on Schedule CA (540 or 540NR) line 13, col. B 12a

- b If line 10 is less than line 11, enter the difference here and on Schedule CA (540 or 540NR), line 13, col. C 12b



# Instructions for Schedule CA (540)

These instructions are based on the Internal Revenue Code (IRC) as of January 1, 1998 and the California Revenue and Taxation Code (R&TC).

## What's Changed?

The California legislature enacted SB 615 (Stats. 2004.CH.388), which makes California law compatible with the Servicemembers Civil Relief Act (Public Law 108-189). This means that servicemembers domiciled outside of California and their spouses may exclude the member's military compensation from gross income when computing the tax rate on nonmilitary income.

Requirements for military servicemembers domiciled in California remain unchanged. Military servicemembers domiciled in California must include their military compensation in total income. In addition, they must include their military compensation in California source income when stationed in California. However, military compensation is not California source income when a servicemember is permanently stationed outside of California.

**Amended Returns.** The new laws permit servicemembers domiciled outside of California, who included military compensation in income from all sources, to amend certain previously filed returns. To determine which years may be amended, get FTB Pub. 1001, Supplemental Guidelines to California Adjustments, and FTB Pub. 1032, Tax Information for Military Personnel.

For servicemembers who are American Indian tribal members treated as living in "Indian country," get FTB 674, Frequently Asked Questions About the Income Taxation of American Indians.

## General Information

### Differences Between California and Federal Law

California legislation enacted in 1998 conforms California tax law to the Internal Revenue Code (IRC) as of January 1, 1998. However, there are continuing differences between California and federal tax law. California has not conformed to most of the changes made to the IRC by the federal Internal Revenue Service (IRS) Restructuring and Reform Act of 1998 (Public Law 105-206) and has not conformed to any of the changes made by the Tax and Trade Relief Extension Act of 1998 (Public Law 105-277).

California law is the same as federal law in the following areas:

#### IRC Section 179 expense deduction

The maximum deduction amount is now \$19,000.

#### Roth IRAs

The contribution rules and distribution rules are the same.

#### Self-employed health insurance deduction

The percentage for 1999 is 60%.

## Purpose

Use this schedule to make adjustments to your federal adjusted gross income and to your federal itemized deductions using California law.

## Part I – Specific Line Instructions

### Column A — Federal Amounts

**Line 7 through Line 21** – Enter on line 7 through line 21 the same amounts you entered on your federal Form 1040, line 7 through line 21 (or on your federal Form 1040A, line 7 through line 13b; or on your federal Form 1040EZ line 1, line 2, and line 3). Also enter the following if applicable:

- The total IRA distribution received on line 15(a);
- The total pension or annuity distribution received on line 16(a); and
- The total social security retirement benefit received on line 20(a).

#### Line 22 – Total

Combine the amounts on line 7 through line 21.

**Line 23 through Line 30** – Enter the same amounts you entered on your federal Form 1040, line 23 through line 30 (or your Form 1040A, line 15 and line 16).

**Line 31a and Line 31b** – Enter on line 31a the same amount you entered on your federal Form 1040, line 31a. Enter on line 31b the social security number and last name of the person to whom you paid alimony.

**Line 32** – Add line 23 through line 31a. However, if you made any of the adjustments described in the instructions for federal Form 1040, line 32 or if you claimed the foreign housing deduction from federal Form 2555, Foreign Earned Income, or Form 2555-EZ, Foreign Earned Income Exclusion, enter the amount from Form 1040, line 32 on this line.

#### Line 33 – Total

Subtract line 32 from line 22.

### Column B and Column C — Subtractions and Additions

Use these columns to enter subtractions and additions to federal amounts in column A that are necessary because of the differences between California and federal law. Enter all amounts as positive numbers unless instructed otherwise.

You may need one of the following FTB publications to complete column B and column C:

- 1001, Supplemental Guidelines to California Adjustments;
- 1005, Pension and Annuity Guidelines;
- 1031, Guidelines for Determining Resident Status; or
- 1032, Tax Information for Military Personnel.

To order a publication or form, see the back cover of your tax booklet.

#### Line 7 – Wages, Salaries, Tips, etc.

Generally, you will not make any adjustments on this line. If you did not receive any of the following types of income, make no entry on this line in either column B or column C.

**Active duty military pay.** Special rules apply to active duty military taxpayers. Get FTB Pub. 1032 for more information.

**Ride-sharing benefits or sick pay received under the Federal Insurance Contributions Act and Railroad Retirement Act.** California excludes these items from income. Enter in column B the amount of these benefits included in the amount in column A.

**Income exempted by U.S. tax treaties (unless specifically exempt for state purposes also).** If you excluded this income from your federal return, enter the excluded amount in column C. If you claimed foreign earned income or housing cost exclusion under IRC Section 911, see the instructions for line 21. Get FTB Pub. 1001 for more information.

**Exercising a California Qualified Stock Option (CQSO) does not result in compensation.** To qualify: your earned income from the corporation granting the CQSO must be \$40,000 or less; the market value of the options granted to you must be \$100,000 or less; and the total number of shares must be 1,000 or less. If you included in federal income an amount qualifying for this exclusion, enter that amount in column B.

**Employer-provided meals.** California law has not conformed to the federal provision that allows employees to exclude (and employers to deduct) the value of meals solely because the meals were provided to more than 50% of the employees. Check with your employer if you think that this might apply to you. If it does, enter in column C the amount of these benefits that were excluded for federal tax purposes.

#### Line 8 – Taxable Interest Income

If you did not receive any of the kinds of income listed below, do not make an entry on this line in either column B or column C.

Enter in column B the interest you received from:

- U.S. saving bonds (except for interest from series EE U.S. savings bonds issued after 1989 that qualified for the Education Savings Bond Program exclusion);
- U.S. Treasury bills, notes, and bonds; or
- Any other bonds or obligations of the United States and its territories.

Get FTB Pub. 1001 if you received interest income from the following sources:

- Loans made in an enterprise zone (EZ); or
- Items listed above passed through to you from S corporations, trusts, partnerships, and limited liability companies (LLCs).

**Do not** make entries in either column B or column C for interest you earned on Federal National Mortgage Association (Fannie Mae) Bonds, Government National Mortgage Association (Ginnie Mae) Bonds, and Federal Home Loan Mortgage Corporations (FHLMC) securities.

Enter in column C the interest you identified as tax-exempt interest on your federal Form 1040 (or Form 1040A), line 8b and which you received from:

- Non-California state bonds;
- Non-California municipal bonds issued by a county, city, town, or other local government unit;
- Obligations of the District of Columbia issued after December 27, 1973; and
- Non-California bonds if the interest was passed through to you from S corporations, trusts, partnerships, or LLCs.

#### Line 9 – Ordinary dividends

Generally, you will not make an adjustment on this line. However, certain mutual funds are qualified to pay "exempt-interest dividends" if at least 50% of

their assets consist of tax-exempt government obligations. The portion of the exempt-interest dividend that is tax-exempt will be shown on your annual statement from the mutual fund. If the California exempt-interest dividend amount is more than the federal exempt-interest dividend amount, enter the difference in column B.

Get FTB Pub. 1001 if you received dividends from:

- Noncash patronage dividends from farmers' cooperatives or mutual associations;
- A federal S corporation that is a California C corporation;
- A controlled foreign corporation;
- Distributions of pre-1987 earnings from S corporations;
- Undistributed capital gains for regulated investment company (RIC) shareholders; or
- Distributed capital gain dividends.

#### **Line 10 – State Tax Refund**

California does not tax the state income tax refund you received in 1999. Enter in column B the amount of state tax refund you entered in column A.

#### **Line 11 – Alimony Received**

If you are a nonresident alien and received alimony that was not included in your federal income, enter the alimony on this line in column C. Otherwise, make no entry on this line.

#### **Line 12 – Business Income or (Loss)**

Adjustments to federal business income or loss you reported in column A generally are necessary because of the difference between California and federal law relating to depreciation methods, special credits, and accelerated write-offs. As a result, the recovery period or basis you use to figure California depreciation may be different from the amount used for federal purposes, and you may need to make an adjustment to your business income or loss. Adjustments are figured on form FTB 3885A and are most commonly necessary because of the following:

- **Before January 1, 1987**, California did not allow depreciation under the federal accelerated cost recovery system. You must continue to figure California depreciation for those assets in the same manner as prior years.
- **On or after January 1, 1987**, California provides special credits and accelerated write-offs that affect the California basis of qualifying assets. Refer to the bulleted list below.

Use form FTB 3801, Passive Activity Loss Limitation (PALS), to figure the total adjustment for line 12 if you have:

- One or more passive activities that produce a loss; or
- One or more passive activities that produce a loss **and** any nonpassive activity reported on federal Schedule C.

Use form FTB 3885A, Depreciation and Amortization Adjustments, to figure the total adjustment for line 12 if you have:

- Only nonpassive activities which produce either gains or losses (or combination of gains and losses); or
- Passive activities that produce gains.

Get FTB Pub. 1001 for more information about:

#### **Income related to:**

- Business, trade, or profession carried on within California that is an integral part of a unitary business carried on both within and outside California; or
- Pro-rata share of income received from a controlled foreign corporation by a U.S. shareholder.

#### **Basis adjustments related to:**

- Property acquired prior to becoming a California resident;
- Sales or use tax credit for property used in an EZ, Local Agency Military Base Recovery Area (LAMBRA), or Targeted Tax Area (TTA), or former LARZ;
- Reduced recovery periods for fruit-bearing grapevines replaced in a California vineyard on or after 1/1/92 as a result of phylloxera infestation; or on or after 1/1/97 as a result of Pierce's disease;
- Expenditures for tertiary injectants;
- Property placed in service on an Indian reservation after 1/1/94 and before 12/31/03;
- Amortization of pollution control facilities;
- Discharge of real property business indebtedness;
- Employer-paid child care center and services;
- Employer-paid child care plan;
- Vehicles used in an employer-sponsored ridesharing program;
- An enhanced oil recovery system;
- The cost of making a business accessible to disabled individuals;
- Property for which you received an energy conservation subsidy from a public utility on or after 1/1/95 and before 1/1/97; or
- Research and experimental expenditures.

#### **Business expense deductions related to:**

- Wages paid in an EZ, LAMBRA, Manufacturing Enhancement Area (MEA), or TTA;
- Certain employer costs for employees who are also enrolled members of Indian tribes;
- Abandonment or tax recoupment fees for open-space easements and timberland preserves;
- Club dues or payments made to a club that restricts membership or the use of its services or facilities on the basis of age, sex, race, religion, color, ancestry, or national origin;
- Lobbying expenses denied under IRC Section 162;
- Business located in an EZ, LAMBRA, or TTA;
- Research expense;
- Employer wage expense for the Work Opportunity Credit and Welfare-to-Work Credit;
- Pro-rata share of deductions received from a controlled foreign corporation by a U.S. shareholder;
- Interest paid on indebtedness in connection with company-owned life insurance policies;
- Premiums paid on life insurance policies, annuities or endowment contracts issued after 6/8/97 where the owner of the business is directly or indirectly a policy beneficiary; or
- Meals provided to more than 50% (but less than 100%) of employees on the employment premises for the employer's convenience.

#### **Line 13 – Capital Gain or (Loss)**

Generally, you will not make any adjustments on this line if you do not have any of the items listed below. Use Schedule D, California Gain or Loss Adjustment, only if you have differences from:

- Gain on the sale of qualified small business stock which qualifies for the gain exclusion under IRC Section 1202;
- Basis amounts resulting from differences between California and federal law in prior years;
- Gain or loss on stock and bond transactions;
- Installment sale gain reported on form FTB 3805E, Installment Sale Income;
- Gain on the sale of personal residence where depreciation was allowable;
- Flow-through gain or loss from partnerships, fiduciaries, S corporations, or LLCs; or
- Capital loss carryover from your 1998 California Schedule D.

Get FTB Pub. 1001 for more information about:

- Disposition of S corporation stock acquired before 1987;
- Gain on sale or disposition of qualified assisted housing development to low-income residents or to specified entities maintaining housing for low-income residents;
- Undistributed capital gain for regulated investment company (RIC) shareholders;
- Gain or loss on the sale of property inherited before 1/1/87; or
- Capital loss carrybacks.

#### **Line 14 – Other Gains or (Losses)**

Generally, you will not make any adjustments on this line. However, the California basis of your other assets may be different from the federal basis due to differences between California and federal law. Therefore, you may have to adjust the amount of other gains or losses. Get Schedule D-1, Sales of Business Property.

#### **Line 15 – Total IRA Distributions**

Generally, you will not make any adjustments on this line. However, there may be significant differences in the taxable amount of a distribution (including a distribution from conversion of a traditional IRA to a Roth IRA), depending on when you made your contributions to the IRA. Differences may also occur if you changed your residency status after you first began making contributions to your IRA or if your California IRA deductions were different from your federal deductions because of differences between California and federal self-employment income.

If the taxable amount using California law is:

- Less than the amount taxable under federal law, enter the difference in column B; or
- More than the amount taxable under federal law, enter the difference in column C.

Get FTB Pub. 1005 for more information and worksheets for figuring the adjustment to enter on this line, if any.

**Education (Ed) IRA** – If column A includes a taxable distribution from an Ed IRA, you may owe additional tax on that amount. Get form FTB 3805P, Additional Taxes Attributable to IRAs, Other Qualified Retirement Plans, Annuities, Modified Endowment Contracts, and MSAs.

**Line 16 – Total Pensions and Annuities**

Generally, you will not make any adjustments on this line. However, if you received tier 2 railroad retirement benefits or partially taxable distributions from a pension plan, you may need to make the adjustments described below.

If you received a federal Form RRB 1099-R for railroad retirement benefits and included all or part of these benefits in taxable income in column A, enter the taxable benefit amount in column B.

If you began receiving a retirement annuity between 7/1/86 and 1/1/87 and elected to use the three-year rule for California purposes and the annuity rules for federal purposes, enter in column C the amount of the annuity payments you excluded for federal purposes.

**Line 17 – Rental Real Estate, Royalties, Partnerships, S Corporations, and Trusts, etc.**

Adjustments to federal income or loss you reported in column A generally are necessary because of the difference between California and federal law relating to depreciation methods, special credits and accelerated write-offs. As a result, the recovery period or basis you use to figure California depreciation may be different from the recovery period or amount used for federal purposes, and you may need to make an adjustment to your income or loss. For more information, see the instructions for Column B and Column C, line 12.

Use form FTB 3801, Passive Activity Loss Limitation (PALS), to figure the total adjustment for line 17 if you have:

- One or more passive activities that produce a loss; or
- One or more passive activities that produce a loss **and** any nonpassive activity reported on federal Schedule E.

Use form FTB 3885A, Depreciation and Amortization Adjustments, to figure the total adjustment for line 17 if you have:

- Only nonpassive activities which produce either gains or losses (or combination of gains and losses); or
- Passive activities that produce gains.

Get FTB Pub. 1001 for more information about accumulation distributions to beneficiaries for which the trust was not required to pay California tax because the beneficiary's interest was contingent.

**Line 18 – Farm Income or (Loss)**

Adjustments to federal income or loss you report in column A generally are necessary because of the difference between California and federal law relating to depreciation methods, special credits, and accelerated write-offs. As a result, the recovery period or basis you use to figure California depreciation may be different from the amount used for federal purposes, and you may need to make an adjustment to your farm income or loss.

Use form FTB 3801, Passive Activity Loss Limitation (PALS), to figure the total adjustment for line 18 if you have:

- One or more passive activities that produce a loss; or
- One or more passive activities that produce a loss **and** any nonpassive activity reported on federal Schedule F.

Use form FTB 3885A, Depreciation and Amortization Adjustments, to figure the total adjustment for line 18 if you have:

- Only nonpassive activities which produce either gains or losses (or combination of gains and losses); or
- Passive activities that produce gains.

**Line 19 – Unemployment Compensation**

Enter on line 19, column B the amount of unemployment compensation shown in column A. **Note:** Do not include qualified state tuition program earnings.

**Line 20 – Social Security Benefits**

Enter in column B the amount of social security benefits or equivalent tier 1 railroad retirement benefits shown in column A.

**Line 21 – Other Income**

**a. California Lottery Winnings.** Enter in column B the amount of California lottery winnings included in the federal amount on line 21 in column A.

**Note:** Do not include lottery winnings from other states. They are taxable to California.

**b. Disaster Loss Carryover from FTB 3805V.** If you have a California disaster loss carryover from your 1998 form FTB 3805V, Net Operating Loss (NOL) Computation and NOL and Disaster Loss Limitations, enter that amount as a positive number in column B.

**c. Federal NOL deduction from Form 1040, line 21.** If the amount on line 21 in column A includes a federal NOL, enter the amount of the federal NOL deduction as a positive number in column C. Get form FTB 3805V to figure the allowable California NOL deduction.

**d. NOL Carryover from FTB 3805V.** The allowable NOL carryover under California law is different from the allowable NOL carryover under federal law.

Use form FTB 3805V to figure the allowable California NOL deduction, and enter it as a positive number in column B.

**Note:** If your 1998 form FTB 3805V has both disaster loss carryovers and NOL carryovers, you will need to separately state these two amounts. See line 21b for disaster loss carryovers.

**e. NOL deduction from FTB 3805Z, FTB 3806 or FTB 3807.** Enter in column B the total NOL deduction figured on the following forms.

- FTB 3805Z, Enterprise Zone Deduction and Credit Summary, line 4b;
- FTB 3806, Los Angeles Revitalization Zone Deduction and Credit Summary, line 2b; or
- FTB 3807, Local Agency Military Base Recovery Area Deduction and Credit Summary, line 4b.

**f. Other (describe).**

**Reward from a crime hotline.** Enter in column B the amount of a reward authorized by a government agency, that you received from a crime hotline established by a government agency or nonprofit organization and that is included in the amount on line 21 in column A. **Note:** You may not make this adjustment if you are an employee of the hotline or someone who sponsors rewards for the hotline.

**Payments for alternative transportation (free or subsidized parking, alternative commute methods, monthly transit passes, etc.).** Enter in column B the amount that you received from your employer, other than wages or salaries, for participating in an alternative transportation method and that is included in the amount on line 21 in column A. For more information, get FTB Pub. 1001.

**Federal foreign earned income or housing exclusion.** Enter in column C the amount deducted from federal income on Form 1040, line 21.

**Beverage container recycling income.** Enter in column B the amount of this type of income that you included in the amount on line 21 in column A.

**Rebates from water agencies or suppliers.** Enter in column B the amount of this type of income that you included in the amount on line 21 in column A.

**Original issue discount (OID) for debt instruments issued in 1985 and 1986.**

In the year of sale or other disposition, you must recognize the difference between the amount reported on your federal return and the amount reported for California purposes. **Issuers:** Enter the difference between the federal deductible amount and the California deductible amount on line 21f in column B. **Holders:** Enter the difference between the amount included in federal gross income and the amount included for California purposes on line 21f in column C.

**Foreign income of nonresident aliens.** Adjust federal income to reflect worldwide income computed under California law. Enter losses from foreign sources in column B. Enter foreign source income in column C.

**Cost-share payments received by forest landowners.** Enter in column B the cost-share payments received from the Department of Forestry and Fire Protection under the California Forest Improvement Act of 1978 or from the United States Department of Agriculture, Forest Service, under the Forest Stewardship Program and the Stewardship Incentives Program, pursuant to the Cooperative Forestry Assistance Act.

**Qualified prizes with cash options.** Enter in column C the lump-sum award or the value of an annuity awarded that was not included in federal gross income due to the special rule for cash options for receipt of qualified prizes.

**Medical Savings Account (MSA) or a Medicare+ Choice MSA –** If column A includes a taxable distribution from an MSA, you may owe additional tax on that amount. Get form FTB 3805P, Additional Taxes Attributable to IRAs, Other Qualified Retirement Plans, Annuities, Modified Endowment Contracts, and MSAs.

**Line 22 – Total**

Add line 7 through line 21f in column B and column C. Enter the totals on line 22.

**Line 23 through Line 30 –** Do not enter adjustments on these lines. California law is the same as federal law.

**Line 31a – Alimony Paid**

Enter the social security number and last name of the person to whom you paid alimony. **Note:** If you are a nonresident alien and did not deduct alimony on your federal return, enter the amount you paid in column C.

**Line 32 –** Add line 23 through line 31a in column B and column C.

If you claimed the foreign housing deduction, include that amount in the total you enter in column B, line 32. Enter the amount and "Form 2555" or "Form 2555-EZ" on the dotted line next to line 32.



**Line 33 – Total**

Subtract line 32 from line 22 in column B and column C.

Transfer the amount from line 33:

- Column B to Form 540, Side 1, line 14; and
- Column C to Form 540, Side 1, line 16.

If you plan to itemize deductions, go to Part II.

**Caution:** If Schedule CA (540), line 33:

**Column B** is a negative number, do not transfer it to Form 540, line 14. Instead, transfer the amount as a positive number to Form 540, line 16; or

**Column C** is a negative number, do not transfer it to Form 540, line 16. Instead, transfer the amount as a positive number to Form 540, line 14.

## Part II – Specific Line Instructions

**Line 35 – Federal Itemized Deductions**

Enter the total amount of itemized deductions from your federal Schedule A, lines 4, 9, 14, 18, 19, 26, and 27. **Important:** If you did not itemize deductions on your federal tax return but will itemize deductions on your California tax return, first complete federal Schedule A. Then complete Schedule CA (540), Part II, line 35 through line 40.

**Line 36 – State, Local, and Foreign Income Taxes**

Enter the state and local income tax from federal Schedule A, line 5 and only the portion relating to foreign income taxes from line 8. Include state disability insurance (SDI), limited partnership tax, and income or franchise tax paid by S corporations.

**Line 38 – Other Adjustments**

**Adoption-Related Expenses.** If you deducted adoption-related expenses on your federal Schedule A and are claiming the adoption cost credit for the same amounts on your Form 540, enter the amount of the adoption cost credit claimed as a negative number on line 38.

**Mortgage Interest Credit.** If you reduced your federal mortgage interest deduction by the amount of your mortgage interest credit (from federal Form 8396, Mortgage Interest Credit), increase your California itemized deductions by the same amount. Enter the amount of your federal mortgage interest credit as a positive number on line 38.

**Nontaxable Income Expenses.** If, on federal Schedule A, you claim expenses related to producing income taxed under federal law but not taxed by California, enter the amount as a negative number on line 38. You may claim expenses related to producing income taxed by California law but not taxed under federal law by entering the amount as a positive number on line 38.

**Employee Business Expenses:** If you completed federal Form 2106, Employee Business Expense (or Form 2106-EZ), also complete Form 2106 (or Form 2106-EZ, Unreimbursed Employee Business Expenses) using California amounts. Specific differences between California and federal law are shown below.

- **Assets placed in service before 1/1/87:** Figure expenses based on California law; and
- **Federal employees on temporary duty status:** California does not conform to the federal provision that expanded temporary duties to include prosecutive duties, in addition to investigative duties. Therefore, travel expenses paid or incurred in connection with temporary duty status (exceeding one year), involving the prosecution (or support of the prosecution) of a federal crime, should not be included when completing Form 2106 (or Form 2106-EZ) using California amounts.

Compare line 10 on both Forms 2106 (or line 6 if using Forms 2106-EZ). If the federal amount is larger, enter the difference as a negative number on line 38. If the California amount is larger, enter the difference as a positive number on line 38.

**Investment Interest Expense.** Your California deduction for investment interest expense may be different from your federal deduction. You must use form FTB 3526, Investment Interest Expense Deduction, to figure the amount to enter on line 38.

**Gambling Losses.** California Lottery losses are not deductible for California. Enter the amount of California Lottery losses shown on federal Schedule A as a negative number on line 38.

**Federal Estate Tax.** Federal estate tax paid on income in respect of a decedent is not deductible for California. Enter the amount of federal estate tax shown on federal Schedule A as a negative number on line 38.

**Generation Skipping Transfer Tax.** Tax paid on generation skipping transfers is not deductible under California law. Enter the amount of expenses shown on federal Schedule A as a negative number on line 38.

**Contribution of Appreciated Stock to a Private Foundation.** For contributions made during 1999, enter the difference between the fair market value of the stock and the California basis as a negative number on line 38.

**State Legislator's Travel Expenses.** Under California law, deductible travel expenses for state legislators include only those incurred while away from their place of residence overnight. Figure the difference between the amount allowed using federal law and the amount allowed using California law. Enter the difference as a negative number on line 38.

**Charitable Contribution Carryover Deduction.** If you are deducting a prior year charitable contribution carryover, and the California carryover is larger than the federal carryover, enter the additional amount as a positive number on line 38.

**Casualty and Theft Losses for Income-producing Property.** California law does not conform to the federal provision that allows taking the full deduction if a casualty or a theft loss occurs for income-producing property. For California purposes, the deduction is considered to be a miscellaneous itemized deduction and is subject to the 2% of AGI floor.

If you included a casualty or theft loss from income-producing property on federal Schedule A, line 27, and if:

- Schedule A, line 26 is more than zero, then no adjustment is necessary; or
- Schedule A, line 26 is zero, then;

1. Enter the total of the amounts on your federal Schedule A, line 26 and line 27 here ..... 1 \_\_\_\_\_
2. Reduce Schedule A, line 27 by the amount of the casualty and theft loss deduction and enter the result here ..... 2 \_\_\_\_\_
3. Recalculate Schedule A, line 20 through line 26 by including the casualty and theft loss deduction and enter here ..... 3 \_\_\_\_\_
4. Add line 2 and line 3. Enter the result here ..... 4 \_\_\_\_\_
5. Subtract line 4 from line 1 and include it as a negative number on line 38.

**Line 40 – California Itemized Deductions**

Is the amount on Form 540, line 13 more than the amount shown below for your filing status?

Single or married filing separate ..... \$119,813  
 Married filing joint or qualifying widow(er) ..... \$239,628  
 Head of household ..... \$179,720

**NO** Transfer the amount from line 39 to line 40. Do not complete the worksheet.

**YES** Complete the Itemized Deductions Worksheet.

Itemized Deductions Worksheet	
1. Amount from Schedule CA (540), line 39 .....	1 _____
2. Using California amounts, add the amounts on federal Schedule A, line 4, line 13 and line 19 plus any gambling losses included on line 27 .....	2 _____
3. Subtract line 2 from line 1 .....	3 _____
<b>Note:</b> If -0-, stop. Enter the amount from line 1 on Schedule CA (540), line 40.	
4. Multiply line 3 by 80% (.80) .....	4 _____
5. Amount from Form 540, line 13 .....	5 _____
6. Enter the amount shown above for your filing status .....	6 _____
7. Subtract line 6 from line 5 .....	7 _____
<b>Note:</b> If -0- or less, stop. Enter the amount from line 1 on Schedule CA (540), line 40.	
8. Multiply line 7 by 6% (.06) .....	8 _____
9. Compare line 4 and line 8. Enter the smaller amount here ..	9 _____
10. Total itemized deductions. Subtract line 9 from line 1. Enter here and on Schedule CA (540), line 40 .....	10 _____

# Instructions for Form FTB 3885A

## Depreciation and Amortization Adjustments

### General Information

California legislation enacted in 1998 conforms California tax law to the Internal Revenue Code (IRC) as of January 1, 1998. However, there are continuing differences between California and federal tax law. California has not conformed to most of the changes made to the IRC by the Internal Revenue Service (IRS) Restructuring and Reform Act of 1998 (Public Law 105-206) and has not conformed to any of the changes made by the Tax and Trade Relief Extension Act of 1998 (Public Law 105-277). Get FTB Pub. 1001, Supplemental Guidelines to California Adjustments, for more information on differences between California and federal law for the following items:

- **Amortization of certain intangibles (IRC Section 197);**
- **Qualified Indian reservation property; and**
- **Grapevines subject to Phyloxera or Pierce's disease.**

### Purpose

Use form FTB 3885A **only** if there is a difference between the amount of depreciation and amortization allowed as a deduction using California law and the amount allowed using federal law. California law and federal law have not always allowed the same depreciation methods, special credits, or accelerated write-offs. As a result, the recovery periods or the basis on which the depreciation is figured for California may be different from the amounts used for federal purposes. You will probably have reportable differences if all or part of your assets were placed in service:

- **Before 1/1/87.** California did not allow depreciation under the federal accelerated cost recovery system (ACRS), and you must continue to figure California depreciation for those assets in the same manner as in prior years.
- **On or after 1/1/87.** California provides special credits and accelerated write-offs that affect the California basis of qualifying assets. California did not conform to all changes to federal law enacted in 1993, and this causes the California basis or recovery periods to be different for some assets.

Differences may also occur for other less common reasons, and the instructions for Schedule CA (540 or 540NR) list them on the line for the type of income likely to be affected. You may also get FTB Pub. 1001 for more information about figuring and reporting these adjustments.

If you are reporting differences for assets related to a passive activity, get form FTB 3801, Passive Activity Loss Limitations, for more information about passive activities.

Do not use form FTB 3885A to report depreciation expense from federal Form 2106, Employee Business Expenses. Instead, see the instructions for Schedule CA (540 or 540NR), line 38.

### Specific Line Instructions

**Note:** Prepare and file a separate form FTB 3885A for each business or activity on your return that has a difference between California and federal depreciation or amortization. Enter the name of the business or activity in the space provided at the top of the form. If you need more space, attach additional sheets. However, complete Part II, Election to Expense Certain Tangible Property (IRC Section 179), only once.

#### Part I Identify the Activity as Passive or Nonpassive

**Line 1** – Check the box to identify the activity as passive or nonpassive. A passive activity is any activity involving the conduct of any trade or business in which you did not materially participate. Get form FTB 3801 for more information.

If the activity is passive, use this form as a worksheet to figure the depreciation adjustment to carry to form FTB 3801. **Caution:** Beginning in 1994, and for federal purposes only, rental real estate activities of persons in real property business are not automatically treated as passive activities. California did not conform to this provision.

#### Part II Election To Expense Certain Tangible Property

You may elect to expense part of the cost of depreciable personal property used in your trade or business and certain other property described in federal Pub. 946, How to Depreciate Property. To do so, you must have purchased property, as defined in the IRC Section 179(d)(2), and placed it in service during 1999, or have a carryover of unused cost from 1998. If you elect this deduction, you must reduce your California depreciable basis by the IRC Section 179 expense. The maximum Section 179 expense allowed for 1999 is \$19,000.

Complete the worksheet below to figure IRC Section 179 expense for California. Include all assets qualifying for the deduction because the limit applies to all qualifying assets as a group rather than to each asset individually. **Refer to federal Form 4562 for information.**

<b>1</b> Maximum dollar limitation for California .....	<b>1</b>	\$ 19,000
<b>2</b> Total cost of Section 179 property placed in service .....	<b>2</b>	
<b>3</b> Threshold cost of Section 179 property before reduction in limitation .....	<b>3</b>	\$200,000
<b>4</b> Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0- .....	<b>4</b>	
<b>5</b> Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0- .....	<b>5</b>	
<b>(a) Description of property</b>	<b>(b) Cost</b>	<b>(c) Elected cost</b>
<b>6</b>		
<b>7</b> Listed property (elected Section 179 cost) ..	<b>7</b>	
<b>8</b> Total elected cost of Section 179 property. Add column (c), line 6 and line 7 .....	<b>8</b>	
<b>9</b> Tentative deduction. Enter the smaller of line 5 or line 8 .....	<b>9</b>	
<b>10</b> Carryover of disallowed deduction from 1998 .....	<b>10</b>	
<b>11</b> Enter the smaller of business income (not less than -0-) or line 5 .....	<b>11</b>	
<b>12</b> Section 179 expense deduction for California. Add line 9 and line 10, but do not enter more than line 11. Also enter the result on FTB 3885A, line 2 .....	<b>12</b>	
<b>13</b> Carryover of disallowed deduction to 2000. Add line 9 and line 10. Subtract line 12 from the result .....	<b>13</b>	

### Part III Depreciation

**Line 3** – Complete column (a) through column (f) for each tangible asset or group of assets placed in service during the tax year. Be sure to use the California basis for assets on which you elected to take the Section 179 deduction. It will be the difference between line 6, column (b) and line 6, column (c) of the worksheet in Part II.

**Line 8a and Line 8b** – Are you using this form as a worksheet in connection with form FTB 3801?

**Yes** Enter the amount from line 8a or line 8b on form FTB 3801, Side 2, California Passive Activity Worksheet, column (e).

**No** Include the amount from line 8a on Schedule CA (540 or 540NR) in column B on line 12 for federal Schedule C activities; on line 17 for federal Schedule E activities; and on line 18 for federal Schedule F activities.

Include the amount from line 8b on Schedule CA (540 or 540NR) in column C on line 12 for federal Schedule C activities; on line 17 for federal Schedule E activities; and on line 18 for federal Schedule F activities.

### Part IV Amortization

**Line 9** – Complete column (a) through column (f) for intangible assets placed in service during the tax year. Be sure to use the California basis and the California recovery period.

**Line 14a and Line 14b** – Are you using this form as a worksheet in connection with form FTB 3801?

**Yes** Enter the amount from line 14a or line 14b on form FTB 3801, Side 2, California Passive Activity Worksheet, column (e).

**No** Include the amount from line 14a on Schedule CA (540 or 540NR) in column B on line 12 for federal Schedule C activities; on line 17 for federal Schedule E activities; and on line 18 for federal Schedule F activities.

Include the amount from line 14b on Schedule CA (540 or 540NR) in column C on line 12 for federal Schedule C activities; on line 17 for federal Schedule E activities; and on line 18 for federal Schedule F activities.



# Instructions for California Schedule D

## California Capital Gain or Loss Adjustment

### General Information

California legislation enacted in 1998 conforms California tax law to the Internal Revenue Code (IRC) as of January 1, 1998. However, there are continuing differences between California and federal tax law. California has not conformed to most of the changes made to the IRC by the Internal Revenue Service (IRS) Restructuring and Reform Act of 1998 (Public Law 105-206) and has not conformed to any of the changes made by the Tax and Trade Relief Extension Act of 1998 (Public Law 105-277). For example, California does not conform to the federal reduced capital gains tax rates. California taxes capital gains at the same tax rate as other types of income.

**Note:** California law now conforms to federal law for the Section 179 expense deduction. For 1999, the maximum amount is \$19,000.

### Purpose

Use California Schedule D **only** if there is a difference between your federal capital gains and losses and your California capital gains and losses associated with the following:

- Gain on the sale of qualified small business stock which qualifies for the gain exclusion under IRC Section 1202;
- Disposition of property that was expensed or depreciated at some time during the period you owned it; California and federal depreciation and property expensing methods were different before 1987 and after 1/1/93 and caused a difference between the California and federal basis;
- Gain or loss on stock and bond transactions;
- Installment sale gain reported on form FTB 3805E, Installment Sale Income;
- Gain on the sale of personal residence where depreciation was allowable;
- Flow-through gain or loss from partnerships, fiduciaries, S corporations, or LLCs;
- Distributed and undistributed capital gain dividends;
- Gain from involuntary conversion of capital assets not held for business profit; or
- Capital loss carryover from your 1998 California Schedule D.

For more information about the following, get FTB Pub. 1001:

- Disposition of property inherited before 1987;
- Disposition of S corporation stock acquired before 1987;
- Gain on the sale or disposition of a qualified assisted housing development to low-income residents or to specific entities maintaining housing for low-income residents; or
- Capital loss carryback.

**Exclusion of Gain on Qualified Small Business Stock.** California law (R&TC Section 18152.5) provides an exclusion (similar to the federal exclusion under IRC Section 1202) of 50% of the gain on the sale of qualifying small business stock originally issued after 8/10/93 that was held for more than 5 years. However, for California purposes, 80% of the issuing corporation's payroll must be attributable to employment located within California, and at least 80% of the value of the corporation's assets must be used by the corporation to actively conduct one or more qualified trades or businesses in California. See the Specific Line Instruction for Line 1b.

**Installment Sales.** If you sold property at a gain (other than publicly traded stocks or securities) and you will receive a payment in a tax year after the year of sale, you must report the sale on the installment method unless you elect not to do so. Get form FTB 3805E. Also, use that form if you received a payment in 1999, for an installment sale made in an earlier year. **Note:** You may elect not to use the installment sale method for California by reporting the entire gain on Schedule D (or Schedule D-1 for business assets) in the year of the sale and filing your return on or before the due date.

**At-Risk Rules and Passive Activity Limitations.** If you dispose of (1) an asset used in an activity to which the at-risk rules apply, or (2) any part of your interest in an activity to which the at-risk rules apply, and you have amounts in the activity for which you are not at risk, get and complete federal Form 6198, At-Risk Limitations, using California amounts to figure your California deductible loss under the at-risk rules. Once a loss becomes allowable under the at-risk rules, it becomes subject to the passive activity rules. Get form FTB 3801, Passive Activity Loss Limitations.

### Specific Line Instructions

**Note:** If you have gain on the sale of qualified small business stock that qualifies for the federal Section 1202 exclusion, go to the instructions for line 1b.

**Line 1a – List each capital asset transaction.**

**Column (a) – Description of Property.** Describe the asset you sold or exchanged.

**Column (b) – Sales Price.** Enter in this column either the gross sales price or the net sales price. If you received a Form 1099-B, 1099-S, or similar statement showing the gross sales price, enter that amount in column (b). However, if box 2 of Form 1099-B indicates that gross proceeds less commissions and option premiums were reported to IRS, enter that net amount in column (b). If you entered the net amount in column (b), do not include the commissions and option premiums in column (c).

**Column (c) – Cost or Other Basis.** In general, the cost or other basis is the cost of the property plus purchase commissions and improvements minus depreciation, amortization and depletion. Enter the cost or adjusted basis of the asset for California purposes. Use your records and California tax returns for years before 1987 to determine the California amount to enter in column (c). If you used an amount other than cost as the original basis, your federal basis may be different from your California basis. Other reasons for differences are:

#### Depreciation Methods and Property Expensing

Before 1987, California law did not allow the use of ACRS and did not allow the use of an asset depreciation range 20% above or below the standard rate. Before 1999, California had

different limits on the expensing of property under IRC Section 179. California law permits rapid write-off of certain property such as solar energy systems, pollution control devices, and property used in an EZ, or LAMBRA.

**Inherited Property** – The California basis of property inherited from a decedent is generally fair market value (FMV) at the time of death. If you acquired community property as a surviving spouse, get FTB Pub. 1039, Basis of Property – Decedent/Surviving Spouse, for more information.

**S Corporation Stock** – Prior to 1987, California law did not recognize S corporations and your California basis in S corporation stock may differ from your federal basis. In general, your California basis will be cost-adjusted for income, loss, and distributions received after 1986, while your stock was California S corporation stock. Your federal basis will be cost-adjusted for income, loss, and distributions received during the time your stock qualified for federal S corporation treatment.

**Special Credits** – California law authorizes special tax credits not allowed under federal law or computed differently under federal law. In many instances if you claimed special credits related to capital assets, you must reduce your basis in the assets by the amount of credit.

Other adjustments may apply differently to the federal and California basis of your capital assets. Figure the original basis of your asset using the California law in effect when the asset was acquired, and adjust it according to provisions of California law in effect during the period of your ownership.

**Line 1b – Section 18152.5 Exclusion.** If the gain qualifying for the IRC Section 1202 exclusion also qualifies for the California exclusion under R&TC Section 18152.5: Enter in column (a) "Section 18152.5 Exclusion." Complete column (b) and column (c) according to the instructions for line 1a. Enter in column (d) the amount of gain that qualifies for the California exclusion. Enter in column (e) the entire gain realized. **If the gain qualifying for the IRC Section 1202 exclusion does not qualify for the California exclusion:** Complete column (a), column (b), and column (c) according to the instructions for line 1a. Enter -0- in column (d) and enter the entire gain realized in column (e).

**Line 3 – Capital Gain Distributions.** If you receive federal Form 2439, Notice to Shareholder of Undistributed Long-Term Capital Gains, from a mutual fund, do not include the **undistributed** capital gain dividends on Schedule D. If you receive federal Form 1099-DIV, Dividends and Distributions, enter the amount of **distributed** capital gain dividends.

**Line 6 – 1998 California Capital Loss Carryover.** Enter the amount of your 1998 California net capital loss that was more than the loss limitation.

**Line 8 – Net Gain or Loss.** If the amount on line 4 is more than the amount on line 7, subtract line 7 from line 4. Enter the difference as a gain on line 8.

If the amount on line 7 is more than the amount on line 4, subtract line 4 from line 7 and enter the difference as a loss on line 8.

Use the worksheet on this page to figure your capital loss carryover to 2000.

**Line 9** – If line 8 is a net capital loss, enter the smaller of the loss on line 8 or \$3,000 (\$1,500 if you are married filing a separate return).

**Line 12a** – Enter the difference on line 12a and on Schedule CA (540 or 540NR), line 13, column B.

#### For example:

**Loss on line 10 is less than loss on line 11.**

Federal loss on line 10 is	\$1,000
California loss on line 11 is	\$2,000
Subtract line 10 from line 11	\$1,000

**Gain on line 10 and loss on line 11.**

Federal gain on line 10 is	\$3,000
California loss on line 11 is	\$3,000
Add line 10 and line 11	\$6,000

**Line 12b** – Enter the difference on line 12b and on Schedule CA (540 or 540NR), line 13, column C.

#### For example:

**Loss on line 10 is more than loss on line 11.**

Federal loss on line 10 is	\$2,000
California loss on line 11 is	\$1,000
Subtract line 11 from line 10	\$1,000

**Loss on line 10 and gain on line 11.**

Federal loss on line 10 is	\$2,000
California gain on line 11 is	\$5,000
Add line 10 and line 11	\$7,000

#### California Capital Loss Carryover Worksheet

1. Loss from Schedule D, line 11, stated as a positive number	1
2. Amount from Form 540 or Form 540NR, line 17	2
3. Amount from Form 540 or Form 540NR, line 18	3
4. Subtract line 3 from line 2. If less than zero, enter as a negative amount	4
5. Combine line 1 and line 4. If less than zero, enter -0-	5
6. Loss from Schedule D, line 8	6
7. Enter the smaller of line 1 or line 5	7
8. Subtract line 7 from line 6. This is your capital loss carryover to 2000	8

# Tax Information for Head of Household Filing Status

## Introduction

You may think of yourself as the head of your house, but you may not qualify for the head of household filing status under state and federal tax laws. The legal requirements for the filing status are more complicated than simply being the head of the house.

The head of household filing status provides a lower tax rate and a higher standard deduction than either single or married filing separate statuses. If you are married, the married filing joint status normally provides the lowest tax rate and highest standard deduction. If you use the head of household filing status and are not qualified to do so, you may be subject to additional tax, interest, and any penalties that may apply. By using the appropriate self-test provided in this publication, you should know if you qualify.

To find out if you qualify, read the General Rules below, then read the Self-Test Instructions in the next column. As you read the General Rules and the Self-Test, you will see that certain words are underlined. For each underlined term, there is a **definition** in a section following the self-test. Even if you think you know the meaning of a term, you should read the **legal definition** as it applies to the head of household filing status.

## General Rules

You are entitled to the head of household filing status only if **ALL** the following apply:

- ◇ You were unmarried or considered unmarried on the last day of the year, and
  - ◇ You paid more than one-half the costs of keeping up your home for the year, and
  - ◇ For more than half the year, your home was the main home for you and another person who lived with you.
- Note:** If the other person who lived with you was absent from your home during the year, see temporary absence. Also, see Parent (Father or Mother).
- ◇ The other person was your qualifying relative.
  - ◇ You were not a nonresident alien at any time during the year.

If any of the following applied, please refer to the definitions beginning on page 50.

- Annulment
- Death/birth
- Joint custody
- Multiple support agreement
- Parent (Father or Mother)
- Widow or Widower

Please note that if you use the head of household filing status on your federal tax return, you must also use it on your California tax return. However, if you incorrectly claimed the head of household filing status on your federal tax return, you should amend your federal return to claim your correct filing status. You should then file your California tax return using your correct filing status.

## Self-Test Instructions

Complete the self-test to see if you qualify to use the head of household filing status. Although there are three self-tests, only one will apply to you.

- Complete Self-Test 1, if you were **single and had never been married** as of the last day of the year.
- Complete Self-Test 2, if you were **married as of the last day of the year**.
- Complete self-Test 3, if you were **divorced or legally separated as of the last day of the year**.

Words that are underlined are defined beginning on page 50.

## Self-Test 1 —

If you were SINGLE and had never been married as of the last day of the year, answer the questions below to see if you qualify.

1. Did your child, grandchild, or adopted child live with you for more than half the year?
  - ☐ Yes. Go to question 8.
  - ☐ No. Go to question 2.
2. Did you have a dependent foster child living with you for the entire year?
  - ☐ Yes. Go to question 3.
  - ☐ No. Go to question 4.
3. Did the child's parent live with you and the child during the year?
  - ☐ Yes. Go to question 4.
  - ☐ No. Go to question 8.
4. Other than your child, grandchild, or dependent foster child, did you have a qualifying relative who was your dependent?
  - ☐ Yes. Go to question 5.
  - ☐ No. STOP; you do not qualify.
5. Was this person your parent (father or mother)?
  - ☐ Yes. Go to question 6.
  - ☐ No. Go to question 7.
6. Was your dependent parent a citizen or national of the U.S. or a resident of the U.S., Canada, or Mexico?
  - ☐ Yes. Go to question 8.
  - ☐ No. STOP; you do not qualify.
7. Did your qualifying relative live with you for more than half the year?
  - ☐ Yes. Go to question 8.
  - ☐ No. STOP; you do not qualify.
8. Did you pay more than half the cost of keeping up your home or the home of your dependent parent (father or mother) during the year?
  - ☐ Yes. You qualify to use the head of household filing status.
  - ☐ No. STOP; you do not qualify.

## Self-Test 2 —

If you were MARRIED as of the last day of the year, answer the questions below to see if you qualify.

1. Are you filing a tax return separate from your spouse?
  - ☐ Yes. Go to question 2.
  - ☐ No. STOP; you do not qualify.
2. Did you live with your spouse at ANY time during the last six months of the year?
  - ☐ Yes. STOP; you do not qualify.
  - ☐ No. Go to question 3.
3. Did you pay more than half the cost of keeping up your home during the year?
  - ☐ Yes. Go to question 4.
  - ☐ No. STOP; you do not qualify.
4. Did you have a dependent foster child living with you all year?
  - ☐ Yes. Go to question 6.
  - ☐ No. Go to question 5.
5. Did your dependent stepchild, adopted child, or natural child live with you during the year?
  - ☐ Yes. Go to question 7.
  - ☐ No. STOP; you do not qualify.
6. Did the child's parent live with you and the child during the year?
  - ☐ Yes. STOP; you do not qualify.
  - ☐ No. You qualify to use the head of household filing status.
7. Did you, your spouse, and your child live together during the first six months of the year?
  - ☐ Yes. Go to question 8.
  - ☐ No. Go to question 9.
8. Did your child live with you for more than half the year? You may include half the time that you, your spouse, and your child lived together, and all of the time that you and your child lived together without your spouse.
  - ☐ Yes. You qualify to use the head of household filing status.
  - ☐ No. STOP; you do not qualify.
9. Did the child live with you for more than half the year?
  - ☐ Yes. You qualify to use the head of household filing status.
  - ☐ No. STOP; you do not qualify.

## Self-Test 3 —

If you were DIVORCED or LEGALLY SEPARATED as of the last day of the year, answer the questions below to see if you qualify.

1. Did your child, adopted child, stepchild, or grandchild live with you for more than half the year?
  - ☐ Yes. Go to question 7.
  - ☐ No. Go to question 2.
2. Did you have a dependent foster child living with you for the entire year?
  - ☐ Yes. Go to question 3.
  - ☐ No. Go to question 4.

3. Did the child's parent live with you and the child during the year?
  - ☐ Yes. Go to question 4.
  - ☐ No. Go to question 7.
4. Other than your child, adopted child, stepchild, grandchild, or dependent foster child, did you have a qualifying relative who was your dependent?
  - ☐ Yes. Go to question 5.
  - ☐ No. STOP; you do not qualify.
5. Was this person your parent (father or mother)?
  - ☐ Yes. Go to question 6.
  - ☐ No. Go to question 7.
6. Was your dependent parent (father or mother) a citizen or national of the U.S. or a resident of the U.S., Canada, or Mexico?
  - ☐ Yes. Go to question 10.
  - ☐ No. STOP; you do not qualify.
7. Did you, your spouse (ex-spouse), and the person who may qualify you for the head of household filing status live together during the year?
  - ☐ Yes. Go to question 8.
  - ☐ No. Go to question 9.
8. Did the person who may qualify you live with you for more than half the year? You may include one half the time that you, your spouse (ex-spouse), and the qualifying person lived together, and all of the time that you and the qualifying person lived together without your spouse.
  - ☐ Yes. Go to question 10.
  - ☐ No. STOP; you do not qualify.
9. Did the person who may qualify you live with you for more than half the year?
  - ☐ Yes. Go to question 10.
  - ☐ No. STOP; you do not qualify.
10. Did you pay more than half the cost of keeping up your home or the home of your dependent parent (father or mother) during the year?
  - ☐ Yes. You qualify to use the head of household filing status.
  - ☐ No. STOP; you do not qualify.

## Definitions of Terms

### Adopted Child

Before legal adoption, a child is considered your child if he or she was placed with you for adoption by an authorized agency. The child must have been a member of your household. If the child was not placed with you by such an agency, the child will meet this test only if he or she was a member of your household for the entire year. A child whom you legally adopted is considered your child by blood.

### Annulment

If you were married in the tax year but the marriage was later annulled, you are treated as having been unmarried during the year.

### Child

A child qualifying you for the head of household filing status must be your child, grandchild (a grandchild does not qualify you if you are

married), stepchild, adopted child, or foster child who is:

- Single as of the last day of the year, and whom you can claim as your dependent. If you are unmarried, you do not have to be able to claim the child as your dependent unless the child was your foster child. If the child is your foster child, you must be able to claim this child as your dependent and the child must have lived with you for the entire year.
- Married as of the last day of the year. You must be able to claim the child as your dependent. However, if your married child's other parent claims the child under rules for noncustodial parent, you do not have to be able to claim the child as your dependent.

## Considered Unmarried

If you were married or if your spouse died during the tax year, you may be considered unmarried for head of household purposes if you meet **all** of the following requirements:

- You filed a tax return separate from your spouse's tax return;
- You paid more than half the cost of keeping up your home for the year;
- Your spouse did not live in your home at any time during the last six months of the year (see Temporary Absence); and
- For more than half the year, your home was the main home of your child, stepchild, or adopted child whom you can claim as your dependent.  
You can still meet this requirement if you cannot claim your child as your dependent only because:
- You, as the child's custodial parent, stated in writing to the noncustodial parent that the noncustodial parent may claim the dependent exemption credit to which you were entitled; or
- The noncustodial parent provided at least \$600 of support for the child and claimed an exemption for the child under a pre-1985 decree of divorce or separation, or a pre-1985 written agreement.

## Death or Birth

If the person whom you believe qualifies you to file as head of household is born or dies during the year, you may be able to claim the head of household filing status. You must have provided more than half the cost of keeping up a home that was the person's main home for more than half the year. However, the requirement that the home must have been the person's main home for more than half the year does not apply if the person was not alive for more than half the year. In that case, the home must have been the person's main home for the period that the person was alive during the year.

## Dependent

For you to claim another person as your dependent, **all** the following five tests must be met:

1. Relationship or Member of Household Test
2. Citizenship Test
3. Joint Return Test
4. Gross Income Test
5. Support Test

**Relationship or Member of Household Test.** To meet this test, the person must be related to you **or** live with you for the entire year as a member of your household. If at anytime during the year the person was your spouse, you can not claim that person as a dependent. Please note: A person is not considered your relative simply because the person is a member of your household. See Qualifying Relative for a list of relatives who can meet this test.

**Citizenship Test.** To meet this test, for some part of the calendar year in which your tax year begins, the person must be a U.S. citizen or national, or a resident of the U.S., Canada, or Mexico.

**Joint Return Test.** Even if the other dependency tests are met, you are generally not allowed an exemption for your dependent if he or she files a joint tax return. You may take an exemption for a married dependent who files a joint return if **all** the following apply:

- Neither your dependent nor your dependent's spouse is required to file a return; and
- Neither your dependent nor your dependent's spouse would have a tax liability if they filed separate returns; and
- Your dependent and your dependent's spouse only file a joint return to get a refund of tax withheld.

**Gross Income Test.** Generally, you may not take an exemption for a dependent if that person had gross income equal to or more than the federal allowable dependent exemption amount for that particular year. That amount is \$2,750 for tax year 1999. For more information about gross income, see IRS Publication 17, *Your Personal Income Tax*.

This test does not apply if the person is your child and is under 19 years old or a full-time student under 24 years old.

For purposes of the Gross Income Test,

- A child is your son, stepson, daughter, stepdaughter, a legally adopted child, or a child placed with you by an authorized placement agency for your legal adoption. A foster child who was a member of your household for the entire year is also considered your child.
- Your child was a student if, during some part of each of five calendar months during the calendar year (not necessarily consecutive), he or she was:
- A full-time student at a school that has a regular teaching staff, course of study, and a regularly enrolled student body in attendance, or
- A student taking a full-time, on-farm training course given by a school described in the preceding paragraph, or by a state, county, or local government.

**Support Test.** You must provide more than half of a person's total support during the calendar year to meet the support test. To figure whether you have provided more than half the support, you must compare the amount you contributed for the person's support to the entire amount of support the person received from all sources. All sources include tax exempt income such as social security benefits and Temporary Assistance for Needy Families (formerly Aid to Families with Dependent Children), and the person's own funds used for support. Your contribution may not include any part of the person's support that was paid by the person with the person's own wages, even if you paid the wages. The person's own funds are not support unless they are actually spent for support.



Also, see [Multiple Support Agreement](#). For more information regarding the dependent exemption, see IRS Publication 501, *Exemptions, Standard Deduction, and Filing Information*.

## Foster Child

A foster child is a child who is in the care of a person or persons (other than the parents or adopted parents of the child) who care for the child as their own child. The foster relationship with the individual must have begun while the individual was a minor (i.e., under the age of 18). The circumstances under which the child became a member of the household does not affect his or her status as a foster child. A foster child may be considered your child by blood if you are entitled to a [dependent](#) exemption for the child, your home was the main home of the child for the entire year, and the child's parent did not live in your home. However, if a government or a tax-exempt child placement agency makes payments to you as a foster parent, the child cannot be claimed as your dependent and you will not qualify for the head of household filing status on the basis of this child.

Generally, if a child who was not your own child lived with you, and at the same time the child's parent lived with you, the child cannot be considered your foster child. Such a child cannot qualify you for the head of household filing status, even if the child lived with you during the entire year, you paid all of the household expenses, and you paid all of the child's support.

## Joint Custody

If you have joint custody of your child, to qualify for the head of household filing status you must still meet all the requirements for the filing status. (See the General Rules on page 49.) These requirements include the following:

1. Your child must have lived with you for [more than half the year](#).
2. You must have paid more than half the cost of keeping up your home.

## Keeping Up Your Home

You are keeping up your home only if you pay more than half the cost of keeping up the home for the year. Generally, if two or more people keep up the same home, only one of the people could pay more than half the costs and qualify for the head of household filing status. If two or more families occupy the same dwelling but maintain separate finances, and each family does not contribute to the support of the other family, each family may be treated as keeping up a separate home. The taxpayer who provides more than half the cost of maintaining that separate home is treated as keeping up that separate home. To determine whether you paid more than half the cost of keeping up your home, complete the following worksheet.

Do not include costs of clothing, education, medical treatment, vacations, life insurance, transportation, rental value of a home you own, or value of your services for those of the person qualifying you as head of household. Temporary Assistance for Needy Families (formerly Aid to Families with Dependent Children) payments you use to keep up your home DO NOT count as amounts you paid.

### Cost of Keeping Up Your Home

	Amount You Paid	Total Cost
Rent	\$	\$
Mortgage interest	\$	\$
Property taxes	\$	\$
Property insurance	\$	\$
Utilities	\$	\$
Upkeep/Repairs	\$	\$
Food consumed on the premises	\$	\$
Other household expenses	\$	\$
Totals	\$	\$
Minus total amount you paid		\$( )
Amount others paid		\$

If the above results show that you paid more than half the total cost, you meet the requirement of keeping up your home.

## Legally Separated

To be legally separated, you must be separated from your spouse under a final decree of legal separation. A final decree of legal separation is not the same as an informal separation agreement, a petition for divorce or separation, or an interlocutory judgment for dissolution of marriage. Simply living apart from a spouse is not the same as being legally separated under a final decree of legal separation.

## Main Home

For [more than half the year](#), your home must be your main home and the main home of the person who you believe qualifies you for head of household filing status. Generally, the location of your and the other person's main home is determined by where you and the other person actually live. You and the other person must have lived together in your home for more than half the year, except for temporary absences. (See [Parent \(Father or Mother\)](#) and [Temporary Absence](#).)

## Married

If you are not unmarried under the situations shown under [Unmarried](#), you are married.

## More Than Half the Year

Just because someone lived with you for six months does not mean that the person lived with you for more than half the year. A year has 365 days, and more than half the year is 183 days. (A leap year has 366 days, and more than half a leap year is 184 days.)

To determine how many days your home was a person's main home, follow these guidelines:

- If you were not married at any time during the year, count all of the days that the person lived with you in your home.
- If you were married at any time during the year and were divorced or legally separated as of the last day of the year, add together
  - Half the number of days that you, your spouse, and the person lived together and
  - All of the days that you and the person lived together in your home without your spouse (ex-spouse).

- If you were married as of the last day of the year, and you did not live with your spouse at any time during the last six months of the year, add together;
  - Half the number of days that you, your spouse, and the person lived together; and
  - All of the days that you and the person lived together in your home without your spouse.
- If you were married as of the last day of the year, and you lived with your spouse at any time during the last six months of the year, you cannot qualify for the head of household filing status.

## Multiple Support Agreement

Sometimes no one provides more than half the support of a person. Instead, two or more persons, each of whom would be able to take the exemption but for the support test (see [Dependent](#)), together provide more than half the person's support. When this happens, those providing the support can agree that any one of them who individually provides more than 10% of the person's support (but only one of those providing support) can take an exemption for that person.

If you can take an exemption for a person only because of a multiple support agreement, that person **cannot** qualify you for the head of household filing status.

## National

A U.S. national is an individual who, although not a U.S. citizen, owes allegiance to the U.S. This includes American Samoans and Northern Mariana Islanders who chose to become U.S. nationals instead of U.S. citizens. For more information, refer to IRS Publication 519, *U.S. Tax Guide for Aliens*, or contact your local Immigration and Naturalization Service.

## Noncustodial Parent

The parent who has custody of a child for the greater part of the year is the child's custodial parent. The custodial parent is generally treated as the parent who provides more than half the child's support.

The noncustodial parent will be treated as providing more than half the child's support if:

1. The custodial parent signs a written declaration (or IRS Form 8332) that he or she will not claim the exemption for the child and the noncustodial parent attaches this written declaration to his or her return; or
2. A decree or agreement went into effect after 1984 and it unconditionally states that the noncustodial parent can claim the child as a dependent; or
3. A decree or agreement executed before 1985 provides that the noncustodial parent is entitled to the exemption, and he or she provides at least \$600 for the child's support during the year, unless the pre-1985 decree or agreement is modified after 1984 to specify that this provision will not apply.

## Nonresident Alien

If you were a nonresident alien during any part of the year, you may not qualify for head of household filing status even though you may meet all of the other rules for the filing status.

## Nonresident Alien Spouse

You are considered unmarried for head of household purposes if your spouse was a nonresident alien at any time during the year and you do not choose to treat your nonresident alien spouse as a resident alien. Your spouse is not considered your relative and cannot qualify you for the head of household filing status. However, you are considered married if you have chosen to treat your spouse as a resident alien. For more information, refer to IRS Publication 519, *U.S. Tax Guide for Aliens*.

## Parent (Father or Mother)

If you were unmarried, you may be eligible for the head of household filing status even if your father or mother did not live with you. However, your parent must have been a citizen or national of the United States, or a resident of the United States, Canada, or Mexico. You must be able to claim your parent as a dependent and you must have paid more than half the cost of keeping up a home that was your parent's main home for the entire year. Your parent's main home could have been his or her own home, such as a house or apartment, or could have been any other living accommodation.

## Qualifying Relative

Whether a relative may be your qualifying relative for the head of household filing status is determined by your marital status on the last day of the year.

If you were married on the last day of the year only your child, adopted child, or stepchild for whom you are entitled to a dependent exemption credit may qualify you for the head of household filing status. (Also, see Unmarried, Considered Unmarried, and Foster Child.)

If you were unmarried on the last day of the year, any person who had the following relationship with you may qualify you for head of household filing status:

1. Your child, grandchild, stepchild, or adopted child (see Foster Child) who is:
  - a. Single as of the last day of the year; or
  - b. Married as of the last day of the year, if you are entitled to a dependent exemption credit for the child. If the only reason you are not entitled to a dependent exemption credit for your married child is because the child's other parent took a dependent exemption credit for the child under the special rules for a noncustodial parent, your married child may still qualify you for head of household filing status.

2. Any relative listed below for whom you may claim a dependent exemption credit.

Parent	Son-in-law
Grandparent	Daughter-in-law
Brother	Brother-in-law
Sister	Sister-in-law
Half Sister	Half Brother
Stepbrother	Stepsister
Stepmother	Stepfather
Mother-in-law	Father-in-law
Uncle*	Nephew+
Aunt*	Niece+

\* An uncle or aunt may qualify you only if he or she is the brother or sister of your father or mother.

+ A nephew or niece may qualify you only if he or she is the child of your brother or sister.

Any of the relationships listed above that were established by marriage are not ended by death or divorce.

A person who is not one of the relatives listed above cannot qualify you for the head of household filing status. Cousins are descendants of a brother or sister of your parents and do NOT qualify under the relationship test as relatives.

Under no circumstances shall the same person be used to qualify more than one taxpayer for the head of household filing status for the same year.

## Stepchild

A stepchild is not your natural child but is the natural or adopted child of your spouse. To have a stepchild, you must have at some time been married to the child's parent.

## Temporary Absence

Even if you, your spouse, or your qualifying individual was temporarily absent from your home, you are considered to have occupied the same household. Temporary absences include those due to illness, education, business, vacations, military service, and, in some cases, incarceration. If you or the qualifying individual were absent, it must have been reasonable to assume that you or your qualifying individual would return to the household after the temporary absence, and you must have continued to maintain a household in anticipation of the return.

## Unmarried

You were unmarried if one of the following applied on the last day of the year:

- You had never married, or
- Your marriage was annulled and you did not marry after the annulment, or
- Your spouse died in a prior year and you did not remarry.

You shall not be considered as married, if, on the last day of the year, one of the following applied:
- You were legally divorced from your spouse under a final decree of divorce. Neither a petition for divorce nor an interlocutory decree of divorce is the same as a final decree of divorce. Until the final decree of divorce is issued, a married taxpayer remains married.
- You were legally separated from your spouse under a final decree of legal separation. A final decree of legal separation is not the same as an informal separation agreement, a petition for divorce or separation, or an interlocutory judgment for dissolution of marriage. Just living apart from your spouse is not the same as being legally separated under a final decree of legal separation.

If your spouse was a nonresident alien at any time during the year and you do not choose to treat your nonresident alien spouse as a resident alien, you shall be considered as unmarried for head of household purposes.

## Widow or Widower

The date of your spouse's death determines whether you were married or unmarried for tax purposes.

If your spouse died during the year, you are considered as married at the end of the year, unless your spouse was a nonresident alien spouse at some time during the year.

If your spouse died in a prior year and you have not remarried, you were unmarried.



# Instructions for Form FTB 3519

## Payment Voucher for Automatic Extension for Individuals

### General Information

Use form FTB 3519 **only** if:

- You cannot file your 1999 return\* by April 17, 2000; **and**
- You owe tax for 1999.

Use the worksheet below to determine if you owe tax.

- If you **do not** owe tax, there is nothing to file at this time and no need to complete or mail this voucher. But, you must file your return by October 16, 2000 to avoid a late-filing penalty. See Penalties and Interest for more information.
- If you owe tax, complete the voucher at the bottom of this page. Then mail it and your check or money order to the Franchise Tax Board (FTB) by April 17, 2000, to avoid late-payment penalties. See Penalties and Interest for more information.

**Note:** You can also pay your tax by credit card. You will be charged a fee for this service. If you pay by credit card, do not mail the payment voucher to the FTB. Call (888) 272-9829 (ext. 1555) or visit the website:

[www.8882paytax.com](http://www.8882paytax.com)

**Name and Address.** Be sure to fill in your complete name, address, and social security number on the voucher. If you lease a mailbox from a private business rather than from the United States Postal Service, enter your mailbox number in the field labeled "PMB no."

\*When you do file your 1999 return, you must use Form 540A, Form 540, or Form 540NR.

### Penalties and Interest

Remember, an extension of time to file your return is not an extension of time to pay your tax. If you fail to pay your total tax liability by April 17, 2000, a late-payment penalty plus interest will be added to your tax due. If after April 17, 2000, you find that your estimate of tax due was too low, you should pay the additional tax as soon as possible to avoid further accumulation of penalties and interest. Pay your additional tax with another form FTB 3519 voucher. If you do not file your return by October 16, 2000, you will be assessed a late-filing penalty plus interest from the original due date of the return.

### Taxpayers Residing or Traveling Abroad

If you are living or traveling outside the United States on April 17, 2000, the deadline to file your return and pay the tax is June 15, 2000. Interest will accrue from the original due date (April 17, 2000) until the date of payment. If you need additional time to file your tax return, you will be allowed an automatic six-month extension without filing a written request. To qualify for the extension, you must file your tax return by December 15, 2000. To avoid any late-payment penalties, you must pay 100% of your tax liability by June 15, 2000. When filing your return, be sure to attach a statement to the front indicating that you were "abroad on April 17, 2000."

### TAX PAYMENT WORKSHEET FOR YOUR RECORDS

- Total tax you expect to owe. This is the amount you expect to enter on Form 540EZ, line 23; Form 540A, line 23; Form 540, line 37; Form 540 2EZ, line 13; or Form 540NR, line 46 ..... **1** \_\_\_\_\_
- Payments and credits:
  - California income tax withheld ..... **2a** \_\_\_\_\_
  - California estimated tax payments and amount applied from your 1998 return ..... **2b** \_\_\_\_\_
  - Other payments and credits, including any tax payments made with any previous form FTB 3519 voucher ..... **2c** \_\_\_\_\_
- Total tax payments and credits. Add line 2a, line 2b, and line 2c ..... **3** \_\_\_\_\_
- Tax due. Is line 1 more than line 3? ..... **4** \_\_\_\_\_
  - No. Stop here.** You have no tax due. **DO NOT MAIL THE PAYMENT VOUCHER.** Your return, when filed by October 16, 2000, will verify that you qualified for the extension.
  - Yes.** Subtract line 3 from line 1. This is your tax due. Enter the tax due amount from line 4 as the "Amount of payment" on the form FTB 3519 voucher below. Fill in your name(s), address, and social security number(s), and separate the voucher from this page where it says "DETACH HERE." Make a check or money order payable to "Franchise Tax Board." Also write your social security number and "1999 FTB 3519" on the check or money order. Mail both the check or money order and the voucher to:

**FRANCHISE TAX BOARD**  
**PO BOX 942867**  
**SACRAMENTO CA 94267-0051**

✓ Keep this completed worksheet with your tax records.

----- DETACH HERE -----

TAXABLE YEAR

**1999**

## Payment Voucher for Automatic Extension for Individuals

CALIFORNIA FORM

**3519 (PIT)**

Your first name	Initial	Last name	Your social security number	
If joint payment, spouse's first name	Initial	Last name	Spouse's social security number	
Present home address - number and street including PO Box or rural route			Apt. no.	PMB no.
City, town, or post office			State	ZIP Code

IF NO PAYMENT IS DUE, DO NOT MAIL THIS FORM

IF PAYMENT IS DUE, MAIL TO: FRANCHISE TAX BOARD  
PO BOX 942867  
SACRAMENTO CA 94267-0051

(Calendar year —  
Due April 17, 2000)

Amount of payment

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# Pay Your Taxes By Credit Card

You can use your Discover/NOVUS, MasterCard, or American Express card to pay your personal income taxes. You may pay the balance due or make an extension payment for your 1999 return, pay estimated taxes for 2000, or pay amounts owed for prior years.



There is a convenience fee for this service. This fee is paid directly to Official Payments Corporation for the use of this automated service. The convenience fees are subject to change without notice.

## FEE CHART

Amount Charged	Taxpayer Convenience Fee
\$ 1 - 99.99	\$ 3
100 - 199.99	6
200 - 399.99	11
400 - 599.99	16
600 - 799.99	21
800 - 999.99	25
1,000 - 1,399.99	35
1,400 - 1,999.99	49
2,000 - 2,699.99	68
2,700 - 3,499.99	87
3,500 - 4,399.99	109
4,400 - 5,399.99	133
5,400 - and up	Call for a quote: (888) 272-9829 (ext. 1555)

### When will my payment be posted?

Your payment will be effective on the date you charged it.

### What happens if I change my mind?

If you pay your tax liability by credit card and then subsequently reverse the credit card transaction, you may be subject to penalties, interest, and other fees imposed by the Franchise Tax Board for nonpayment or late payment of your tax liability.

### How do I use my credit card to pay my income tax bill?

Once you have determined how much you owe:

- Have your Discover/NOVUS, MasterCard, or American Express card ready;
- Complete lines 1 through 8;
- Use your touch-tone telephone to call toll-free (888) 2PAY-TAX or (888) 272-9829. Use jurisdiction code 1555, and follow the recorded instructions;  
**OR**
- Go to the Official Payments Corporation website at: [www.8882paytax.com](http://www.8882paytax.com), select payment center, and enter jurisdiction code 1555.

### Assistance for persons with disabilities.

If you have a hearing or speech impairment, call TTY/TDD: (800) 735-2929 (California Relay Service). For all other special assistance, call (800) 487-4567, and select "0," for customer assistance, Monday through Friday, 9 a.m. to 5 p.m.

### 1. Amount you are paying:

\$ \_\_\_\_\_, \_\_\_\_\_.

### 2. Your social security number:

\_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_

Your spouse's social security number:

\_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_

### 3. The first 4 letters of your last name:

\_\_\_\_\_

The first 4 letters of spouse's last name (if different):

\_\_\_\_\_

### 4. The amount you are paying is for what tax year?

\_\_\_\_\_

### 5. Home telephone number:

( \_\_\_\_\_ ) \_\_\_\_\_ - \_\_\_\_\_

### 6. Credit card number:

\_\_\_\_\_

### 7. Credit card expiration date (MM/YYYY):

\_\_\_\_ / \_\_\_\_\_

### 8. ZIP Code for address where your credit card bills are sent:

\_\_\_\_\_

At the end of your call, you will be given a payment confirmation number. You may make multiple credit card payments throughout the year. You may use the following chart to save the payment confirmation number(s) for your records.

Date:	Payment Confirmation No.	Type*

\* **Payment Types:** RT-return payment; EX-extension payment; ES-estimated tax payment; BILL-bill payment.

**Keep this page for your records.**

# Frequently Asked Questions

## 1. What if I can't file by April 17, 2000, and I think I owe tax?

You must pay 100% of the amount you owe by April 17, 2000, to avoid interest and penalties. If you cannot file because you have not received all your Form(s) W-2, estimate the amount of tax you owe by completing form FTB 3519, Payment Voucher for Automatic Extension for Individuals on page 53. Mail it to the FTB with your payment by April 17, 2000. Then, when you receive all your Form(s) W-2, complete and mail your return by October 16, 2000 (you must use Form 540A or Form 540).

## 2. I did not get my Form W-2. What should I do?



204

If you do not receive all your Forms W-2 by January 31, 2000, contact your employer. Only your employer can issue or correct a Form W-2. For more information, call (800) 338-0505, select personal income tax, then general information, and enter code 204 when instructed.

## 3. How can I get help?

There are more than 1,500 sites throughout California where trained volunteers provide free help during the tax filing season to persons who need to file simple federal and state income tax returns. Many military bases also provide this service for members of the U.S. Armed Forces. From January 3 through April 17, a list of locations is available on our website ([www.ftb.ca.gov](http://www.ftb.ca.gov)) or you may call the FTB at (800) 852-5711 to find a location near you.

## 4. What do I do if I can't pay what I owe with my 1999 return?



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Pay as much as you can when you file your return. If you cannot pay your tax in full with your return, you can request to make monthly payments. However, you will be charged interest and may be charged an underpayment penalty on the tax not paid by April 17, 2000, even if your request to pay in installments is approved. To make monthly payments, fill out form FTB 3567, Installment Agreement Request, and mail it to the address on the form. Do not mail it with your return.

The Installment Agreement Request might not be processed and approved until after your return is processed, and you may receive a bill before you receive approval of your request.

To order this form by phone, call (800) 338-0505, select personal income tax, then select forms request, and enter code 949. Or go to our website at: [www.ftb.ca.gov](http://www.ftb.ca.gov)

## 5. How long will it take to get my refund?



112

If you file electronically, you will get the fastest possible refund. Your refund check will be in the mail within 7 to 10 calendar days (or if you request direct deposit, the refund will post to your bank account within 5 to 7 banking days) from the time the FTB receives your electronic return.

For more information about electronic filing, call (800) 338-0505, select personal income tax, then select general information, and enter code 112 when instructed.

If you do not electronically file your return, you should receive your refund check, or if you request direct deposit the refund should post to your account, within 6 to 8 weeks after you file your return.

## 6. I expected my refund by now, how can I check on the status?

You can check on the status of your refund over the Internet. Go to our website at: [www.ftb.ca.gov](http://www.ftb.ca.gov)

You can also call our automated phone service. See the back cover for more information.

## 7. I discovered an error on my tax return, what shall I do?

If you discover that you made an error on your California income tax return after you filed it, use Form 540X, Amended Individual Income Tax Return, to correct your return. See "Order Forms" on the back cover.

## 8. The Internal Revenue Service (IRS) made changes to my federal return, what should I do?

If your federal income tax return is examined and changed by the IRS and you owe additional tax, you must report these changes to the FTB within six months of the date of the final federal determination. If the changes made by IRS result in a refund due for California, you must claim a refund within two years of the date of the final federal determination. You may either use Form 540X to correct the California income tax return you already filed, or you may send a copy of the federal changes to:

ATTN RAR/VOL, AUDIT SECTION  
FRANCHISE TAX BOARD  
PO BOX 1998  
RANCHO CORDOVA CA 95741-1998

Regardless of which method you use to notify the FTB, you must include a copy of the final federal determination along with all data and schedules on which the federal adjustment was based. Get FTB Pub. 1008, Federal Tax Adjustments and Your Notification Responsibilities to California, for more information.

**Note:** You do not have to file Form 540X if the changes do not affect your California tax liability.

## 9. I will be moving after I file my return. How do I notify the FTB of my new address?

You can notify the FTB of your new address by using form FTB 3533, Change of Address. This form is available on our website ([www.ftb.ca.gov](http://www.ftb.ca.gov)) as a fillable form or you may call (800) 852-5711 and select option 5 to report a change of address.

After filing your return, you should report a change of address to us for up to 4 years, especially if you leave the state and no longer have a requirement to file a California return.

# Additional Information

## California Sales And Use Tax

In general, goods purchased outside of California and brought into the state for storage, use, or other consumption may be subject to use tax. The use tax rate is the same as the sales tax rate depending on your county of residence and is based on the purchase price of the goods.

- **If you purchased goods from an out-of-state retailer** (such as a mail order firm) and sales tax would have been charged if you purchased the goods in California, you may owe the use tax on your purchase if the out-of-state retailer did not collect the California tax.
- **If you traveled to a foreign country and brought goods home with you**, the use tax will be based on the purchase price of the goods you listed on your U.S. Customs Declaration after deduction of the \$400 per individual exemption allowable by law within any 30-day period. This deduction does not apply to goods sent or shipped to California by common carrier.

Your tax liability may be calculated by multiplying the sales tax rate in your county times the cost of the goods purchased. Send your payment to the STATE BOARD OF EQUALIZATION, PO BOX 942879, SACRAMENTO CA 94279-0001, with a brief statement listing your name, address, daytime telephone number, cost and description of the goods purchased, and the name and address of the out-of-state retailer.

If you file a Schedule C (Form 1040), Profit or Loss From Business, with your federal income tax return and are in the business of selling tangible personal property, you may be required to obtain a seller's permit with the State Board of Equalization.

If you have a question concerning which goods are taxable, or want information about obtaining a seller's permit, please contact the State Board of Equalization's toll-free number at (800) 400-7115, to talk to a Customer Service Representative. Representatives are available from 8 a.m. to 5 p.m., Monday – Friday, excluding state holidays.

## Collection Fees

The FTB is required to assess collection and filing enforcement cost recovery fees on delinquent accounts.

## Deceased Taxpayers

A final return must be filed for a person who died in 1999 if a return normally would be required. The administrator or executor, if one is appointed, or beneficiary must file the return. Please print "deceased" and the date of death next to the taxpayer's name at the top of the return.

If you are a surviving spouse and no administrator or executor has been appointed, you may file a joint return if you did not remarry during 1999. Indicate next to your signature that you are the surviving spouse.

You may also file a joint return with an administrator or executor acting on behalf of the deceased taxpayer.

If you file a return and claim a refund due to a deceased taxpayer, you are certifying under penalty of perjury either that you are the legal representative of the deceased taxpayer's estate (in this case, you must attach certified copies of the letters of administration or letters testamentary) or that you are entitled to the refund as the deceased's surviving relative or sole beneficiary under the provisions of the California Probate Code. You must also attach a copy of federal Form 1310, Statement of Person Claiming Refund Due a Deceased Taxpayer, or a copy of the death certificate when you file a return and claim a refund due.

## Homeowner and Renter Assistance

**Homeowner assistance** is a once-a-year payment from the State of California based on part of the property taxes assessed and paid on your home. If eligible, you could receive up to 96% of the property taxes you paid in the prior year. The maximum amount allowed is \$326.40. In 1999, you would have qualified for this assistance if you:

- Were one of the following on December 31st: 62 years of age or older, blind, or disabled; and

- Owned your home and lived in it on December 31st, had total household income of \$33,132 or less, and are a U.S. citizen, designated alien, or qualified alien, when you file your claim.

**Renter assistance** is a once-a-year payment from the State of California based on part of the property taxes that you pay indirectly when you pay your rent. The maximum amount allowed is \$240. In 1999, you would have qualified for this assistance if you:

- Were one of the following on December 31st: 62 years of age or older, blind, or disabled; and
- Paid \$50 or more rent per month in the prior year, had total household income of \$33,132 or less, and are a U.S. citizen, designated alien, or qualified alien when you file your claim.

**The filing season for these programs begins May 15, 2000. For more information, call (800) 852-5711.**

## Innocent Spouse Relief

You may qualify for relief from liability for tax on a joint return if (1) there is an understatement of tax because your spouse omitted income or claimed false deductions or credits, (2) you are divorced, separated, or no longer living with your spouse, **or** (3) given all the facts and circumstances, it would be unfair to hold you liable for the tax. In addition, you may qualify for relief pursuant to a divorce decree. If any of the circumstances fit you, you may apply by writing a letter to the Franchise Tax Board requesting relief. Your request should include your name, your social security number, the year or years in question, a statement explaining why you believe you qualify for relief, and if applicable, a copy of your court order. Mail your request to:

FRANCHISE TAX BOARD  
ANALYSIS & LEGAL SECTION MS G-8  
PO BOX 2952  
SACRAMENTO CA 95812-2952

## Military Personnel

If you are a member of the U.S. Armed Forces and need additional information on how to file your return, get FTB Pub. 1032, Tax Information for Military Personnel. See "Order Forms" on the back cover.

## Requesting a Copy of Your Tax Return

The FTB keeps personal income tax returns for three and one-half years from the original due date. If you need to get a copy of a return from those years, you must request it by writing a letter or by completing form FTB 3516, Request for Copy of Personal Income Tax or Fiduciary Return. In most cases, there is a \$10 fee for each tax year you request. However, there is no charge if: you are requesting a return and any audit reports attached in connection with an audit or collection activity; you were the victim of a designated California or federal disaster; or you request copies from a field office that assisted you in completing your return. See "Order Forms" on the back cover.

## Vehicle License Fees for Federal Schedule A

On your federal Schedule A, you may deduct the California motor vehicle license fee listed on your Vehicle Registration Billing Notice from the Department of Motor Vehicles. The other fees listed on your billing notice such as registration fee, weight fee, and county fees are not deductible.

## Voting Is Everybody's Business

You may register to vote if you meet these requirements:

- You are a United States citizen;
- You are a resident of California;
- You will be 18 years old by the date of the next election; and
- You are not in prison or on parole for the conviction of a felony.

You need to re-register every time you move, change your name, or wish to change political parties. In order to vote in an election, you must be registered to vote at least 29 days before that election. To obtain a Voter Registration Card, call the Secretary of State's office toll-free voter hotline at (800) 345-VOTE.

**It's Your Right . . . Register and Vote**



# 1999 California Tax Table

## To Find Your Tax:

- Read down the column labeled "If Your Taxable Income Is . . ." to find the range that includes your taxable income from Form 540, line 19; Form 540A, line 16; or Form 540EZ, line 16.
- Read across the columns labeled "The Tax For Filing Status" until you find the tax that applies for your taxable income and filing status.

Filing status: 1 or 3 (Single; Married filing Separate)						2 or 5 (Married filing Joint; Qualifying Widow(er))					4 (Head of Household)				
If Your Taxable Income Is ...		The Tax For Filing Status			If Your Taxable Income Is ...		The Tax For Filing Status			If Your Taxable Income Is ...		The Tax For Filing Status			
At Least	But Not Over	1 Or 3 Is	2 Or 5 Is	4 Is	At Least	But Not Over	1 Or 3 Is	2 Or 5 Is	4 Is	At Least	But Not Over	1 Or 3 Is	2 Or 5 Is	4 Is	
1	50	0	0	0	6,451	6,550	77	65	65	12,951	13,050	218	155	155	
51	150	1	1	1	6,551	6,650	79	66	66	13,051	13,150	222	157	157	
151	250	2	2	2	6,651	6,750	81	67	67	13,151	13,250	226	159	159	
251	350	3	3	3	6,751	6,850	83	68	68	13,251	13,350	230	161	161	
351	450	4	4	4	6,851	6,950	85	69	69	13,351	13,450	234	163	163	
451	550	5	5	5	6,951	7,050	87	70	70	13,451	13,550	238	165	165	
551	650	6	6	6	7,051	7,150	89	71	71	13,551	13,650	242	167	167	
651	750	7	7	7	7,151	7,250	91	72	72	13,651	13,750	246	169	169	
751	850	8	8	8	7,251	7,350	93	73	73	13,751	13,850	250	171	171	
851	950	9	9	9	7,351	7,450	95	74	74	13,851	13,950	254	173	173	
951	1,050	10	10	10	7,451	7,550	97	75	75	13,951	14,050	258	175	175	
1,051	1,150	11	11	11	7,551	7,650	99	76	76	14,051	14,150	262	177	177	
1,151	1,250	12	12	12	7,651	7,750	101	77	77	14,151	14,250	266	179	179	
1,251	1,350	13	13	13	7,751	7,850	103	78	78	14,251	14,350	270	181	181	
1,351	1,450	14	14	14	7,851	7,950	105	79	79	14,351	14,450	274	183	183	
1,451	1,550	15	15	15	7,951	8,050	107	80	80	14,451	14,550	278	185	185	
1,551	1,650	16	16	16	8,051	8,150	109	81	81	14,551	14,650	282	187	187	
1,651	1,750	17	17	17	8,151	8,250	111	82	82	14,651	14,750	286	189	189	
1,751	1,850	18	18	18	8,251	8,350	113	83	83	14,751	14,850	290	191	191	
1,851	1,950	19	19	19	8,351	8,450	115	84	84	14,851	14,950	294	193	193	
1,951	2,050	20	20	20	8,451	8,550	117	85	85	14,951	15,050	298	195	195	
2,051	2,150	21	21	21	8,551	8,650	119	86	86	15,051	15,150	302	197	197	
2,151	2,250	22	22	22	8,651	8,750	121	87	87	15,151	15,250	306	199	199	
2,251	2,350	23	23	23	8,751	8,850	123	88	88	15,251	15,350	310	201	201	
2,351	2,450	24	24	24	8,851	8,950	125	89	89	15,351	15,450	314	203	203	
2,451	2,550	25	25	25	8,951	9,050	127	90	90	15,451	15,550	318	205	205	
2,551	2,650	26	26	26	9,051	9,150	129	91	91	15,551	15,650	322	207	207	
2,651	2,750	27	27	27	9,151	9,250	131	92	92	15,651	15,750	326	209	209	
2,751	2,850	28	28	28	9,251	9,350	133	93	93	15,751	15,850	330	211	211	
2,851	2,950	29	29	29	9,351	9,450	135	94	94	15,851	15,950	334	213	213	
2,951	3,050	30	30	30	9,451	9,550	137	95	95	15,951	16,050	338	215	215	
3,051	3,150	31	31	31	9,551	9,650	139	96	96	16,051	16,150	342	217	217	
3,151	3,250	32	32	32	9,651	9,750	141	97	97	16,151	16,250	346	219	219	
3,251	3,350	33	33	33	9,751	9,850	143	98	98	16,251	16,350	350	221	221	
3,351	3,450	34	34	34	9,851	9,950	145	99	99	16,351	16,450	354	223	223	
3,451	3,550	35	35	35	9,951	10,050	147	100	100	16,451	16,550	358	225	225	
3,551	3,650	36	36	36	10,051	10,150	149	101	101	16,551	16,650	362	227	227	
3,651	3,750	37	37	37	10,151	10,250	151	102	102	16,651	16,750	366	229	229	
3,751	3,850	38	38	38	10,251	10,350	153	103	103	16,751	16,850	370	231	231	
3,851	3,950	39	39	39	10,351	10,450	155	104	104	16,851	16,950	374	233	233	
3,951	4,050	40	40	40	10,451	10,550	157	105	105	16,951	17,050	378	235	235	
4,051	4,150	41	41	41	10,551	10,650	159	107	107	17,051	17,150	382	237	237	
4,151	4,250	42	42	42	10,651	10,750	161	109	109	17,151	17,250	386	239	239	
4,251	4,350	43	43	43	10,751	10,850	163	111	111	17,251	17,350	390	241	241	
4,351	4,450	44	44	44	10,851	10,950	165	113	113	17,351	17,450	394	243	243	
4,451	4,550	45	45	45	10,951	11,050	167	115	115	17,451	17,550	398	245	245	
4,551	4,650	46	46	46	11,051	11,150	169	117	117	17,551	17,650	402	247	247	
4,651	4,750	47	47	47	11,151	11,250	171	119	119	17,651	17,750	406	249	249	
4,751	4,850	48	48	48	11,251	11,350	173	121	121	17,751	17,850	410	251	251	
4,851	4,950	49	49	49	11,351	11,450	175	123	123	17,851	17,950	414	253	253	
4,951	5,050	50	50	50	11,451	11,550	177	125	125	17,951	18,050	418	255	255	
5,051	5,150	51	51	51	11,551	11,650	179	127	127	18,051	18,150	422	257	257	
5,151	5,250	52	52	52	11,651	11,750	181	129	129	18,151	18,250	426	259	259	
5,251	5,350	53	53	53	11,751	11,850	183	131	131	18,251	18,350	430	261	261	
5,351	5,450	55	54	54	11,851	11,950	185	133	133	18,351	18,450	434	263	263	
5,451	5,550	57	55	55	11,951	12,050	187	135	135	18,451	18,550	438	265	265	
5,551	5,650	59	56	56	12,051	12,150	189	137	137	18,551	18,650	442	267	267	
5,651	5,750	61	57	57	12,151	12,250	191	139	139	18,651	18,750	446	269	269	
5,751	5,850	63	58	58	12,251	12,350	193	141	141	18,751	18,850	450	271	271	
5,851	5,950	65	59	59	12,351	12,450	195	143	143	18,851	18,950	454	273	273	
5,951	6,050	67	60	60	12,451	12,550	198	145	145	18,951	19,050	458	275	275	
6,051	6,150	69	61	61	12,551	12,650	202	147	147	19,051	19,150	462	277	277	
6,151	6,250	71	62	62	12,651	12,750	206	149	149	19,151	19,250	466	279	279	
6,251	6,350	73	63	63	12,751	12,850	210	151	151	19,251	19,350	470	281	281	
6,351	6,450	75	64	64	12,851	12,950	214	153	153	19,351	19,450	474	283	283	

Continued on next page.

# 1999 California Tax Table – Continued

Filing status: 1 or 3 (Single; Married filing Separate) 2 or 5 (Married filing Joint; Qualifying Widow(er)) 4 (Head of Household)														
If Your Taxable Income Is . . .		The Tax For Filing Status			If Your Taxable Income Is . . .		The Tax For Filing Status			If Your Taxable Income Is . . .		The Tax For Filing Status		
At Least	But Not Over	1 Or 3 Is	2 Or 5 Is	4 Is	At Least	But Not Over	1 Or 3 Is	2 Or 5 Is	4 Is	At Least	But Not Over	1 Or 3 Is	2 Or 5 Is	4 Is
19,451	19,550	478	285	285	26,451	26,550	894	456	456	33,451	33,550	1,437	736	762
19,551	19,650	482	287	287	26,551	26,650	900	460	460	33,551	33,650	1,445	740	768
19,651	19,750	486	289	289	26,651	26,750	906	464	464	33,651	33,750	1,453	744	774
19,751	19,850	492	291	291	26,751	26,850	912	468	468	33,751	33,850	1,461	748	780
19,851	19,950	498	293	293	26,851	26,950	918	472	472	33,851	33,950	1,469	752	786
19,951	20,050	504	295	295	26,951	27,050	924	476	476	33,951	34,050	1,477	756	792
20,051	20,150	510	297	297	27,051	27,150	930	480	480	34,051	34,150	1,485	760	798
20,151	20,250	516	299	299	27,151	27,250	936	484	484	34,151	34,250	1,493	764	804
20,251	20,350	522	301	301	27,251	27,350	942	488	488	34,251	34,350	1,501	768	810
20,351	20,450	528	303	303	27,351	27,450	949	492	492	34,351	34,450	1,509	772	816
20,451	20,550	534	305	305	27,451	27,550	957	496	496	34,451	34,550	1,517	776	822
20,551	20,650	540	307	307	27,551	27,650	965	500	500	34,551	34,650	1,526	780	828
20,651	20,750	546	309	309	27,651	27,750	973	504	504	34,651	34,750	1,535	784	834
20,751	20,850	552	311	311	27,751	27,850	981	508	508	34,751	34,850	1,545	788	840
20,851	20,950	558	313	313	27,851	27,950	989	512	512	34,851	34,950	1,554	792	846
20,951	21,050	564	315	315	27,951	28,050	997	516	516	34,951	35,050	1,563	796	852
21,051	21,150	570	317	317	28,051	28,150	1,005	520	520	35,051	35,150	1,572	800	858
21,151	21,250	576	319	319	28,151	28,250	1,013	524	524	35,151	35,250	1,582	804	864
21,251	21,350	582	321	321	28,251	28,350	1,021	528	528	35,251	35,350	1,591	808	870
21,351	21,450	588	323	323	28,351	28,450	1,029	532	532	35,351	35,450	1,600	812	876
21,451	21,550	594	325	325	28,451	28,550	1,037	536	536	35,451	35,550	1,610	816	882
21,551	21,650	600	327	327	28,551	28,650	1,045	540	540	35,551	35,650	1,619	820	888
21,651	21,750	606	329	329	28,651	28,750	1,053	544	544	35,651	35,750	1,628	824	894
21,751	21,850	612	331	331	28,751	28,850	1,061	548	548	35,751	35,850	1,638	828	900
21,851	21,950	618	333	333	28,851	28,950	1,069	552	552	35,851	35,950	1,647	832	906
21,951	22,050	624	335	335	28,951	29,050	1,077	556	556	35,951	36,050	1,656	836	912
22,051	22,150	630	337	337	29,051	29,150	1,085	560	560	36,051	36,150	1,665	840	918
22,151	22,250	636	339	339	29,151	29,250	1,093	564	564	36,151	36,250	1,675	844	924
22,251	22,350	642	341	341	29,251	29,350	1,101	568	568	36,251	36,350	1,684	848	930
22,351	22,450	648	343	343	29,351	29,450	1,109	572	572	36,351	36,450	1,693	852	936
22,451	22,550	654	345	345	29,451	29,550	1,117	576	576	36,451	36,550	1,703	856	942
22,551	22,650	660	347	347	29,551	29,650	1,125	580	580	36,551	36,650	1,712	860	948
22,651	22,750	666	349	349	29,651	29,750	1,133	584	584	36,651	36,750	1,721	864	954
22,751	22,850	672	351	351	29,751	29,850	1,141	588	588	36,751	36,850	1,731	868	960
22,851	22,950	678	353	353	29,851	29,950	1,149	592	592	36,851	36,950	1,740	872	966
22,951	23,050	684	355	355	29,951	30,050	1,157	596	596	36,951	37,050	1,749	876	972
23,051	23,150	690	357	357	30,051	30,150	1,165	600	600	37,051	37,150	1,758	880	978
23,151	23,250	696	359	359	30,151	30,250	1,173	604	604	37,151	37,250	1,768	884	984
23,251	23,350	702	361	361	30,251	30,350	1,181	608	608	37,251	37,350	1,777	888	990
23,351	23,450	708	363	363	30,351	30,450	1,189	612	612	37,351	37,450	1,786	892	996
23,451	23,550	714	365	365	30,451	30,550	1,197	616	616	37,451	37,550	1,796	896	1,002
23,551	23,650	720	367	367	30,551	30,650	1,205	620	620	37,551	37,650	1,805	900	1,008
23,651	23,750	726	369	369	30,651	30,750	1,213	624	624	37,651	37,750	1,814	904	1,014
23,751	23,850	732	371	371	30,751	30,850	1,221	628	628	37,751	37,850	1,824	908	1,020
23,851	23,950	738	373	373	30,851	30,950	1,229	632	632	37,851	37,950	1,833	912	1,026
23,951	24,050	744	375	375	30,951	31,050	1,237	636	636	37,951	38,050	1,842	916	1,032
24,051	24,150	750	377	377	31,051	31,150	1,245	640	640	38,051	38,150	1,851	920	1,038
24,151	24,250	756	379	379	31,151	31,250	1,253	644	644	38,151	38,250	1,861	924	1,044
24,251	24,350	762	381	381	31,251	31,350	1,261	648	648	38,251	38,350	1,870	928	1,050
24,351	24,450	768	383	383	31,351	31,450	1,269	652	652	38,351	38,450	1,879	932	1,056
24,451	24,550	774	385	385	31,451	31,550	1,277	656	656	38,451	38,550	1,889	936	1,062
24,551	24,650	780	387	387	31,551	31,650	1,285	660	660	38,551	38,650	1,898	940	1,068
24,651	24,750	786	389	389	31,651	31,750	1,293	664	664	38,651	38,750	1,907	944	1,074
24,751	24,850	792	391	391	31,751	31,850	1,301	668	668	38,751	38,850	1,917	948	1,080
24,851	24,950	798	393	393	31,851	31,950	1,309	672	672	38,851	38,950	1,926	952	1,086
24,951	25,050	804	396	396	31,951	32,050	1,317	676	676	38,951	39,050	1,935	956	1,092
25,051	25,150	810	400	400	32,051	32,150	1,325	680	680	39,051	39,150	1,944	960	1,098
25,151	25,250	816	404	404	32,151	32,250	1,333	684	684	39,151	39,250	1,954	964	1,104
25,251	25,350	822	408	408	32,251	32,350	1,341	688	690	39,251	39,350	1,963	968	1,110
25,351	25,450	828	412	412	32,351	32,450	1,349	692	696	39,351	39,450	1,972	972	1,116
25,451	25,550	834	416	416	32,451	32,550	1,357	696	702	39,451	39,550	1,982	978	1,122
25,551	25,650	840	420	420	32,551	32,650	1,365	700	708	39,551	39,650	1,991	984	1,128
25,651	25,750	846	424	424	32,651	32,750	1,373	704	714	39,651	39,750	2,000	990	1,134
25,751	25,850	852	428	428	32,751	32,850	1,381	708	720	39,751	39,850	2,010	996	1,140
25,851	25,950	858	432	432	32,851	32,950	1,389	712	726	39,851	39,950	2,019	1,002	1,148
25,951	26,050	864	436	436	32,951	33,050	1,397	716	732	39,951	40,050	2,028	1,008	1,156
26,051	26,150	870	440	440	33,051	33,150	1,405	720	738	40,051	40,150	2,037	1,014	1,164
26,151	26,250	876	444	444	33,151	33,250	1,413	724	744	40,151	40,250	2,047	1,020	1,172
26,251	26,350	882	448	448	33,251	33,350	1,421	728	750	40,251	40,350	2,056	1,026	1,180
26,351	26,450	888	452	452	33,351	33,450	1,429	732	756	40,351	40,450	2,065	1,032	1,188

Continued on next page.



# 1999 California Tax Table – Continued

Filing status: 1 or 3 (Single; Married filing Separate)					2 or 5 (Married filing Joint; Qualifying Widow(er))					4 (Head of Household)				
If Your Taxable Income Is ...		The Tax For Filing Status			If Your Taxable Income Is ...		The Tax For Filing Status			If Your Taxable Income Is ...		The Tax For Filing Status		
At Least	But Not Over	1 Or 3 Is	2 Or 5 Is	4 Is	At Least	But Not Over	1 Or 3 Is	2 Or 5 Is	4 Is	At Least	But Not Over	1 Or 3 Is	2 Or 5 Is	4 Is
40,451	40,550	2,075	1,038	1,196	47,451	47,550	2,726	1,458	1,762	54,451	54,550	3,377	1,878	2,413
40,551	40,650	2,084	1,044	1,204	47,551	47,650	2,735	1,464	1,771	54,551	54,650	3,386	1,884	2,422
40,651	40,750	2,093	1,050	1,212	47,651	47,750	2,744	1,470	1,781	54,651	54,750	3,395	1,890	2,432
40,751	40,850	2,103	1,056	1,220	47,751	47,850	2,754	1,476	1,790	54,751	54,850	3,405	1,898	2,441
40,851	40,950	2,112	1,062	1,228	47,851	47,950	2,763	1,482	1,799	54,851	54,950	3,414	1,906	2,450
40,951	41,050	2,121	1,068	1,236	47,951	48,050	2,772	1,488	1,809	54,951	55,050	3,423	1,914	2,460
41,051	41,150	2,130	1,074	1,244	48,051	48,150	2,781	1,494	1,818	55,051	55,150	3,432	1,922	2,469
41,151	41,250	2,140	1,080	1,252	48,151	48,250	2,791	1,500	1,827	55,151	55,250	3,442	1,930	2,478
41,251	41,350	2,149	1,086	1,260	48,251	48,350	2,800	1,506	1,837	55,251	55,350	3,451	1,938	2,488
41,351	41,450	2,158	1,092	1,268	48,351	48,450	2,809	1,512	1,846	55,351	55,450	3,460	1,946	2,497
41,451	41,550	2,168	1,098	1,276	48,451	48,550	2,819	1,518	1,855	55,451	55,550	3,470	1,954	2,506
41,551	41,650	2,177	1,104	1,284	48,551	48,650	2,828	1,524	1,864	55,551	55,650	3,479	1,962	2,515
41,651	41,750	2,186	1,110	1,292	48,651	48,750	2,837	1,530	1,874	55,651	55,750	3,488	1,970	2,525
41,751	41,850	2,196	1,116	1,300	48,751	48,850	2,847	1,536	1,883	55,751	55,850	3,498	1,978	2,534
41,851	41,950	2,205	1,122	1,308	48,851	48,950	2,856	1,542	1,892	55,851	55,950	3,507	1,986	2,543
41,951	42,050	2,214	1,128	1,316	48,951	49,050	2,865	1,548	1,902	55,951	56,050	3,516	1,994	2,553
42,051	42,150	2,223	1,134	1,324	49,051	49,150	2,874	1,554	1,911	56,051	56,150	3,525	2,002	2,562
42,151	42,250	2,233	1,140	1,332	49,151	49,250	2,884	1,560	1,920	56,151	56,250	3,535	2,010	2,571
42,251	42,350	2,242	1,146	1,340	49,251	49,350	2,893	1,566	1,930	56,251	56,350	3,544	2,018	2,581
42,351	42,450	2,251	1,152	1,348	49,351	49,450	2,902	1,572	1,939	56,351	56,450	3,553	2,026	2,590
42,451	42,550	2,261	1,158	1,356	49,451	49,550	2,912	1,578	1,948	56,451	56,550	3,563	2,034	2,599
42,551	42,650	2,270	1,164	1,364	49,551	49,650	2,921	1,584	1,957	56,551	56,650	3,572	2,042	2,608
42,651	42,750	2,279	1,170	1,372	49,651	49,750	2,930	1,590	1,967	56,651	56,750	3,581	2,050	2,618
42,751	42,850	2,289	1,176	1,380	49,751	49,850	2,940	1,596	1,976	56,751	56,850	3,591	2,058	2,627
42,851	42,950	2,298	1,182	1,388	49,851	49,950	2,949	1,602	1,985	56,851	56,950	3,600	2,066	2,636
42,951	43,050	2,307	1,188	1,396	49,951	50,050	2,958	1,608	1,995	56,951	57,050	3,609	2,074	2,646
43,051	43,150	2,316	1,194	1,404	50,051	50,150	2,967	1,614	2,004	57,051	57,150	3,618	2,082	2,655
43,151	43,250	2,326	1,200	1,412	50,151	50,250	2,977	1,620	2,013	57,151	57,250	3,628	2,090	2,664
43,251	43,350	2,335	1,206	1,420	50,251	50,350	2,986	1,626	2,023	57,251	57,350	3,637	2,098	2,674
43,351	43,450	2,344	1,212	1,428	50,351	50,450	2,995	1,632	2,032	57,351	57,450	3,646	2,106	2,683
43,451	43,550	2,354	1,218	1,436	50,451	50,550	3,005	1,638	2,041	57,451	57,550	3,656	2,114	2,692
43,551	43,650	2,363	1,224	1,444	50,551	50,650	3,014	1,644	2,050	57,551	57,650	3,665	2,122	2,701
43,651	43,750	2,372	1,230	1,452	50,651	50,750	3,023	1,650	2,060	57,651	57,750	3,674	2,130	2,711
43,751	43,850	2,382	1,236	1,460	50,751	50,850	3,033	1,656	2,069	57,751	57,850	3,684	2,138	2,720
43,851	43,950	2,391	1,242	1,468	50,851	50,950	3,042	1,662	2,078	57,851	57,950	3,693	2,146	2,729
43,951	44,050	2,400	1,248	1,476	50,951	51,050	3,051	1,668	2,088	57,951	58,050	3,702	2,154	2,739
44,051	44,150	2,409	1,254	1,484	51,051	51,150	3,060	1,674	2,097	58,051	58,150	3,711	2,162	2,748
44,151	44,250	2,419	1,260	1,492	51,151	51,250	3,070	1,680	2,106	58,151	58,250	3,721	2,170	2,757
44,251	44,350	2,428	1,266	1,500	51,251	51,350	3,079	1,686	2,116	58,251	58,350	3,730	2,178	2,767
44,351	44,450	2,437	1,272	1,508	51,351	51,450	3,088	1,692	2,125	58,351	58,450	3,739	2,186	2,776
44,451	44,550	2,447	1,278	1,516	51,451	51,550	3,098	1,698	2,134	58,451	58,550	3,749	2,194	2,785
44,551	44,650	2,456	1,284	1,524	51,551	51,650	3,107	1,704	2,143	58,551	58,650	3,758	2,202	2,794
44,651	44,750	2,465	1,290	1,532	51,651	51,750	3,116	1,710	2,153	58,651	58,750	3,767	2,210	2,804
44,751	44,850	2,475	1,296	1,540	51,751	51,850	3,126	1,716	2,162	58,751	58,850	3,777	2,218	2,813
44,851	44,950	2,484	1,302	1,548	51,851	51,950	3,135	1,722	2,171	58,851	58,950	3,786	2,226	2,822
44,951	45,050	2,493	1,308	1,556	51,951	52,050	3,144	1,728	2,181	58,951	59,050	3,795	2,234	2,832
45,051	45,150	2,502	1,314	1,564	52,051	52,150	3,153	1,734	2,190	59,051	59,150	3,804	2,242	2,841
45,151	45,250	2,512	1,320	1,572	52,151	52,250	3,163	1,740	2,199	59,151	59,250	3,814	2,250	2,850
45,251	45,350	2,521	1,326	1,580	52,251	52,350	3,172	1,746	2,209	59,251	59,350	3,823	2,258	2,860
45,351	45,450	2,530	1,332	1,588	52,351	52,450	3,181	1,752	2,218	59,351	59,450	3,832	2,266	2,869
45,451	45,550	2,540	1,338	1,596	52,451	52,550	3,191	1,758	2,227	59,451	59,550	3,842	2,274	2,878
45,551	45,650	2,549	1,344	1,604	52,551	52,650	3,200	1,764	2,236	59,551	59,650	3,851	2,282	2,887
45,651	45,750	2,558	1,350	1,612	52,651	52,750	3,209	1,770	2,246	59,651	59,750	3,860	2,290	2,897
45,751	45,850	2,568	1,356	1,620	52,751	52,850	3,219	1,776	2,255	59,751	59,850	3,870	2,298	2,906
45,851	45,950	2,577	1,362	1,628	52,851	52,950	3,228	1,782	2,264	59,851	59,950	3,879	2,306	2,915
45,951	46,050	2,586	1,368	1,636	52,951	53,050	3,237	1,788	2,274	59,951	60,050	3,888	2,314	2,925
46,051	46,150	2,595	1,374	1,644	53,051	53,150	3,246	1,794	2,283	60,051	60,150	3,897	2,322	2,934
46,151	46,250	2,605	1,380	1,652	53,151	53,250	3,256	1,800	2,292	60,151	60,250	3,907	2,330	2,943
46,251	46,350	2,614	1,386	1,660	53,251	53,350	3,265	1,806	2,302	60,251	60,350	3,916	2,338	2,953
46,351	46,450	2,623	1,392	1,668	53,351	53,450	3,274	1,812	2,311	60,351	60,450	3,925	2,346	2,962
46,451	46,550	2,633	1,398	1,676										

# 1999 California Tax Table – Continued

Filing status: 1 or 3 (Single; Married filing Separate) 2 or 5 (Married filing Joint; Qualifying Widow(er)) 4 (Head of Household)														
If Your Taxable Income Is . . .		The Tax For Filing Status			If Your Taxable Income Is . . .		The Tax For Filing Status			If Your Taxable Income Is . . .		The Tax For Filing Status		
At Least	But Not Over	1 Or 3 Is	2 Or 5 Is	4 Is	At Least	But Not Over	1 Or 3 Is	2 Or 5 Is	4 Is	At Least	But Not Over	1 Or 3 Is	2 Or 5 Is	4 Is
61,451	61,550	4,028	2,434	3,064	68,451	68,550	4,679	2,994	3,715	75,451	75,550	5,330	3,638	4,366
61,551	61,650	4,037	2,442	3,073	68,551	68,650	4,688	3,002	3,724	75,551	75,650	5,339	3,647	4,375
61,651	61,750	4,046	2,450	3,083	68,651	68,750	4,697	3,010	3,734	75,651	75,750	5,348	3,656	4,385
61,751	61,850	4,056	2,458	3,092	68,751	68,850	4,707	3,018	3,743	75,751	75,850	5,358	3,666	4,394
61,851	61,950	4,065	2,466	3,101	68,851	68,950	4,716	3,026	3,752	75,851	75,950	5,367	3,675	4,403
61,951	62,050	4,074	2,474	3,111	68,951	69,050	4,725	3,034	3,762	75,951	76,050	5,376	3,684	4,413
62,051	62,150	4,083	2,482	3,120	69,051	69,150	4,734	3,043	3,771	76,051	76,150	5,385	3,694	4,422
62,151	62,250	4,093	2,490	3,129	69,151	69,250	4,744	3,052	3,780	76,151	76,250	5,395	3,703	4,431
62,251	62,350	4,102	2,498	3,139	69,251	69,350	4,753	3,061	3,790	76,251	76,350	5,404	3,712	4,441
62,351	62,450	4,111	2,506	3,148	69,351	69,450	4,762	3,070	3,799	76,351	76,450	5,413	3,721	4,450
62,451	62,550	4,121	2,514	3,157	69,451	69,550	4,772	3,080	3,808	76,451	76,550	5,423	3,731	4,459
62,551	62,650	4,130	2,522	3,166	69,551	69,650	4,781	3,089	3,817	76,551	76,650	5,432	3,740	4,468
62,651	62,750	4,139	2,530	3,176	69,651	69,750	4,790	3,098	3,827	76,651	76,750	5,441	3,749	4,478
62,751	62,850	4,149	2,538	3,185	69,751	69,850	4,800	3,108	3,836	76,751	76,850	5,451	3,759	4,487
62,851	62,950	4,158	2,546	3,194	69,851	69,950	4,809	3,117	3,845	76,851	76,950	5,460	3,768	4,496
62,951	63,050	4,167	2,554	3,204	69,951	70,050	4,818	3,126	3,855	76,951	77,050	5,469	3,777	4,506
63,051	63,150	4,176	2,562	3,213	70,051	70,150	4,827	3,136	3,864	77,051	77,150	5,478	3,787	4,515
63,151	63,250	4,186	2,570	3,222	70,151	70,250	4,837	3,145	3,873	77,151	77,250	5,488	3,796	4,524
63,251	63,350	4,195	2,578	3,232	70,251	70,350	4,846	3,154	3,883	77,251	77,350	5,497	3,805	4,534
63,351	63,450	4,204	2,586	3,241	70,351	70,450	4,855	3,163	3,892	77,351	77,450	5,506	3,814	4,543
63,451	63,550	4,214	2,594	3,250	70,451	70,550	4,865	3,173	3,901	77,451	77,550	5,516	3,824	4,552
63,551	63,650	4,223	2,602	3,259	70,551	70,650	4,874	3,182	3,910	77,551	77,650	5,525	3,833	4,561
63,651	63,750	4,232	2,610	3,269	70,651	70,750	4,883	3,191	3,920	77,651	77,750	5,534	3,842	4,571
63,751	63,850	4,242	2,618	3,278	70,751	70,850	4,893	3,201	3,929	77,751	77,850	5,544	3,852	4,580
63,851	63,950	4,251	2,626	3,287	70,851	70,950	4,902	3,210	3,938	77,851	77,950	5,553	3,861	4,589
63,951	64,050	4,260	2,634	3,297	70,951	71,050	4,911	3,219	3,948	77,951	78,050	5,562	3,870	4,599
64,051	64,150	4,269	2,642	3,306	71,051	71,150	4,920	3,229	3,957	78,051	78,150	5,571	3,880	4,608
64,151	64,250	4,279	2,650	3,315	71,151	71,250	4,930	3,238	3,966	78,151	78,250	5,581	3,889	4,617
64,251	64,350	4,288	2,658	3,325	71,251	71,350	4,939	3,247	3,976	78,251	78,350	5,590	3,898	4,627
64,351	64,450	4,297	2,666	3,334	71,351	71,450	4,948	3,256	3,985	78,351	78,450	5,599	3,907	4,636
64,451	64,550	4,307	2,674	3,343	71,451	71,550	4,958	3,266	3,994	78,451	78,550	5,609	3,917	4,645
64,551	64,650	4,316	2,682	3,352	71,551	71,650	4,967	3,275	4,003	78,551	78,650	5,618	3,926	4,654
64,651	64,750	4,325	2,690	3,362	71,651	71,750	4,976	3,284	4,013	78,651	78,750	5,627	3,935	4,664
64,751	64,850	4,335	2,698	3,371	71,751	71,850	4,986	3,294	4,022	78,751	78,850	5,637	3,945	4,673
64,851	64,950	4,344	2,706	3,380	71,851	71,950	4,995	3,303	4,031	78,851	78,950	5,646	3,954	4,682
64,951	65,050	4,353	2,714	3,390	71,951	72,050	5,004	3,312	4,041	78,951	79,050	5,655	3,963	4,692
65,051	65,150	4,362	2,722	3,399	72,051	72,150	5,013	3,322	4,050	79,051	79,150	5,664	3,973	4,701
65,151	65,250	4,372	2,730	3,408	72,151	72,250	5,023	3,331	4,059	79,151	79,250	5,674	3,982	4,710
65,251	65,350	4,381	2,738	3,418	72,251	72,350	5,032	3,340	4,069	79,251	79,350	5,683	3,991	4,720
65,351	65,450	4,390	2,746	3,427	72,351	72,450	5,041	3,349	4,078	79,351	79,450	5,692	4,000	4,729
65,451	65,550	4,400	2,754	3,436	72,451	72,550	5,051	3,359	4,087	79,451	79,550	5,702	4,010	4,738
65,551	65,650	4,409	2,762	3,445	72,551	72,650	5,060	3,368	4,096	79,551	79,650	5,711	4,019	4,747
65,651	65,750	4,418	2,770	3,455	72,651	72,750	5,069	3,377	4,106	79,651	79,750	5,720	4,028	4,757
65,751	65,850	4,428	2,778	3,464	72,751	72,850	5,079	3,387	4,115	79,751	79,850	5,730	4,038	4,766
65,851	65,950	4,437	2,786	3,473	72,851	72,950	5,088	3,396	4,124	79,851	79,950	5,739	4,047	4,775
65,951	66,050	4,446	2,794	3,483	72,951	73,050	5,097	3,405	4,134	79,951	80,050	5,748	4,056	4,785
66,051	66,150	4,455	2,802	3,492	73,051	73,150	5,106	3,415	4,143	80,051	80,150	5,757	4,066	4,794
66,151	66,250	4,465	2,810	3,501	73,151	73,250	5,116	3,424	4,152	80,151	80,250	5,767	4,075	4,803
66,251	66,350	4,474	2,818	3,511	73,251	73,350	5,125	3,433	4,162	80,251	80,350	5,776	4,084	4,813
66,351	66,450	4,483	2,826	3,520	73,351	73,450	5,134	3,442	4,171	80,351	80,450	5,785	4,093	4,822
66,451	66,550	4,493	2,834	3,529	73,451	73,550	5,144	3,452	4,180	80,451	80,550	5,795	4,103	4,831
66,551	66,650	4,502	2,842	3,538	73,551	73,650	5,153	3,461	4,189	80,551	80,650	5,804	4,112	4,840
66,651	66,750	4,511	2,850	3,548	73,651	73,750	5,162	3,470	4,199	80,651	80,750	5,813	4,121	4,850
66,751	66,850	4,521	2,858	3,557	73,751	73,850	5,172	3,480	4,208	80,751	80,850	5,823	4,131	4,859
66,851	66,950	4,530	2,866	3,566	73,851	73,950	5,181	3,489	4,217	80,851	80,950	5,832	4,140	4,868
66,951	67,050	4,539	2,874	3,576	73,951	74,050	5,190	3,498	4,227	80,951	81,050	5,841	4,149	4,878
67,051	67,150	4,548	2,882	3,585	74,051	74,150	5,199	3,508	4,236	81,051	81,150	5,850	4,159	4,887
67,151	67,250	4,558	2,890	3,594	74,151	74,250	5,209	3,517	4,245	81,151	81,250	5,860	4,168	4,896
67,251	67,350	4,567	2,898	3,604	74,251	74,350	5,218	3,526	4,255	81,251	81,350	5,869	4,177	4,906
67,351	67,450	4,576	2,906	3,613	74,351	74,450	5,227	3,535	4,264	81,351	81,450	5,878	4,186	4,915
67,451	67,550	4,586	2,914	3,622	74,451	74,550	5,237	3,545	4,273	81,451	81,550	5,888	4,196	4,924
67,551	67,650	4,595	2,922	3,631	74,551	74,650	5,246	3,554	4,282	81,551	81,650	5,897	4,205	4,933
67,651	67,750	4,604	2,930	3,641	74,651	74,750	5,255	3,563	4,292	81,651	81,750	5,906	4,214	4,943
67,751	67,850	4,614	2,938	3,650	74,751	74,850	5,265	3,573	4,301	81,751	81,850	5,916	4,224	4,952
67,851	67,950	4,623	2,946	3,659	74,851	74,950	5,274	3,582	4,310	81,851	81,950	5,925	4,233	4,961
67,951	68,050	4,632	2,954	3,669	74,951	75,050	5,283	3,591	4,320	81,951	82,050	5,934	4,242	4,971
68,051	68,150	4,641	2,962	3,678	75,051	75,150	5,292	3,601	4,329	82,051	82,150	5,943	4,252	4,980
68,151	68,250	4,651	2,970	3,687	75,151	75,250	5,302	3,610	4,338	82,151	82,250	5,953	4,261	4,989
68,251	68,350	4,660	2,978	3,697	75,251	75,350	5,311	3,619	4,348	82,251	82,350	5,962	4,270	4,999
68,351	68,450	4,669	2,986	3,706	75,351	75,450	5,320	3,628	4,357	82,351	82,450	5,971	4,279	5,008

Continued on next page.

# 1999 California Tax Table – Continued

Filing status: 1 or 3 (Single; Married filing Separate) 2 or 5 (Married filing Joint; Qualifying Widow(er)) 4 (Head of Household)														
If Your Taxable Income Is ...		The Tax For Filing Status			If Your Taxable Income Is ...		The Tax For Filing Status			If Your Taxable Income Is ...		The Tax For Filing Status		
At Least	But Not Over	1 Or 3 Is	2 Or 5 Is	4 Is	At Least	But Not Over	1 Or 3 Is	2 Or 5 Is	4 Is	At Least	But Not Over	1 Or 3 Is	2 Or 5 Is	4 Is
82,451	82,550	5,981	4,289	5,017	88,451	88,550	6,539	4,847	5,575	94,451	94,550	7,097	5,405	6,133
82,551	82,650	5,990	4,298	5,026	88,551	88,650	6,548	4,856	5,584	94,551	94,650	7,106	5,414	6,142
82,651	82,750	5,999	4,307	5,036	88,651	88,750	6,557	4,865	5,594	94,651	94,750	7,115	5,423	6,152
82,751	82,850	6,009	4,317	5,045	88,751	88,850	6,567	4,875	5,603	94,751	94,850	7,125	5,433	6,161
82,851	82,950	6,018	4,326	5,054	88,851	88,950	6,576	4,884	5,612	94,851	94,950	7,134	5,442	6,170
82,951	83,050	6,027	4,335	5,064	88,951	89,050	6,585	4,893	5,622	94,951	95,050	7,143	5,451	6,180
83,051	83,150	6,036	4,345	5,073	89,051	89,150	6,594	4,903	5,631	95,051	95,150	7,152	5,461	6,189
83,151	83,250	6,046	4,354	5,082	89,151	89,250	6,604	4,912	5,640	95,151	95,250	7,162	5,470	6,198
83,251	83,350	6,055	4,363	5,092	89,251	89,350	6,613	4,921	5,650	95,251	95,350	7,171	5,479	6,208
83,351	83,450	6,064	4,372	5,101	89,351	89,450	6,622	4,930	5,659	95,351	95,450	7,180	5,488	6,217
83,451	83,550	6,074	4,382	5,110	89,451	89,550	6,632	4,940	5,668	95,451	95,550	7,190	5,498	6,226
83,551	83,650	6,083	4,391	5,119	89,551	89,650	6,641	4,949	5,677	95,551	95,650	7,199	5,507	6,235
83,651	83,750	6,092	4,400	5,129	89,651	89,750	6,650	4,958	5,687	95,651	95,750	7,208	5,516	6,245
83,751	83,850	6,102	4,410	5,138	89,751	89,850	6,660	4,968	5,696	95,751	95,850	7,218	5,526	6,254
83,851	83,950	6,111	4,419	5,147	89,851	89,950	6,669	4,977	5,705	95,851	95,950	7,227	5,535	6,263
83,951	84,050	6,120	4,428	5,157	89,951	90,050	6,678	4,986	5,715	95,951	96,050	7,236	5,544	6,273
84,051	84,150	6,129	4,438	5,166	90,051	90,150	6,687	4,996	5,724	96,051	96,150	7,245	5,554	6,282
84,151	84,250	6,139	4,447	5,175	90,151	90,250	6,697	5,005	5,733	96,151	96,250	7,255	5,563	6,291
84,251	84,350	6,148	4,456	5,185	90,251	90,350	6,706	5,014	5,743	96,251	96,350	7,264	5,572	6,301
84,351	84,450	6,157	4,465	5,194	90,351	90,450	6,715	5,023	5,752	96,351	96,450	7,273	5,581	6,310
84,451	84,550	6,167	4,475	5,203	90,451	90,550	6,725	5,033	5,761	96,451	96,550	7,283	5,591	6,319
84,551	84,650	6,176	4,484	5,212	90,551	90,650	6,734	5,042	5,770	96,551	96,650	7,292	5,600	6,328
84,651	84,750	6,185	4,493	5,222	90,651	90,750	6,743	5,051	5,780	96,651	96,750	7,301	5,609	6,338
84,751	84,850	6,195	4,503	5,231	90,751	90,850	6,753	5,061	5,789	96,751	96,850	7,311	5,619	6,347
84,851	84,950	6,204	4,512	5,240	90,851	90,950	6,762	5,070	5,798	96,851	96,950	7,320	5,628	6,356
84,951	85,050	6,213	4,521	5,250	90,951	91,050	6,771	5,079	5,808	96,951	97,050	7,329	5,637	6,366
85,051	85,150	6,222	4,531	5,259	91,051	91,150	6,780	5,089	5,817	97,051	97,150	7,338	5,647	6,375
85,151	85,250	6,232	4,540	5,268	91,151	91,250	6,790	5,098	5,826	97,151	97,250	7,348	5,656	6,384
85,251	85,350	6,241	4,549	5,278	91,251	91,350	6,799	5,107	5,836	97,251	97,350	7,357	5,665	6,394
85,351	85,450	6,250	4,558	5,287	91,351	91,450	6,808	5,116	5,845	97,351	97,450	7,366	5,674	6,403
85,451	85,550	6,260	4,568	5,296	91,451	91,550	6,818	5,126	5,854	97,451	97,550	7,376	5,684	6,412
85,551	85,650	6,269	4,577	5,305	91,551	91,650	6,827	5,135	5,863	97,551	97,650	7,385	5,693	6,421
85,651	85,750	6,278	4,586	5,315	91,651	91,750	6,836	5,144	5,873	97,651	97,750	7,394	5,702	6,431
85,751	85,850	6,288	4,596	5,324	91,751	91,850	6,846	5,154	5,882	97,751	97,850	7,404	5,712	6,440
85,851	85,950	6,297	4,605	5,333	91,851	91,950	6,855	5,163	5,891	97,851	97,950	7,413	5,721	6,449
85,951	86,050	6,306	4,614	5,343	91,951	92,050	6,864	5,172	5,901	97,951	98,050	7,422	5,730	6,459
86,051	86,150	6,315	4,624	5,352	92,051	92,150	6,873	5,182	5,910	98,051	98,150	7,431	5,740	6,468
86,151	86,250	6,325	4,633	5,361	92,151	92,250	6,883	5,191	5,919	98,151	98,250	7,441	5,749	6,477
86,251	86,350	6,334	4,642	5,371	92,251	92,350	6,892	5,200	5,929	98,251	98,350	7,450	5,758	6,487
86,351	86,450	6,343	4,651	5,380	92,351	92,450	6,901	5,209	5,938	98,351	98,450	7,459	5,767	6,496
86,451	86,550	6,353	4,661	5,389	92,451	92,550	6,911	5,219	5,947	98,451	98,550	7,469	5,777	6,505
86,551	86,650	6,362	4,670	5,398	92,551	92,650	6,920	5,228	5,956	98,551	98,650	7,478	5,786	6,514
86,651	86,750	6,371	4,679	5,408	92,651	92,750	6,929	5,237	5,966	98,651	98,750	7,487	5,795	6,524
86,751	86,850	6,381	4,689	5,417	92,751	92,850	6,939	5,247	5,975	98,751	98,850	7,497	5,805	6,533
86,851	86,950	6,390	4,698	5,426	92,851	92,950	6,948	5,256	5,984	98,851	98,950	7,506	5,814	6,542
86,951	87,050	6,399	4,707	5,436	92,951	93,050	6,957	5,265	5,994	98,951	99,050	7,515	5,823	6,552
87,051	87,150	6,408	4,717	5,445	93,051	93,150	6,966	5,275	6,003	99,051	99,150	7,524	5,833	6,561
87,151	87,250	6,418	4,726	5,454	93,151	93,250	6,976	5,284	6,012	99,151	99,250	7,534	5,842	6,570
87,251	87,350	6,427	4,735	5,464	93,251	93,350	6,985	5,293	6,022	99,251	99,350	7,543	5,851	6,580
87,351	87,450	6,436	4,744	5,473	93,351	93,450	6,994	5,302	6,031	99,351	99,450	7,552	5,860	6,589
87,451	87,550	6,446	4,754	5,482	93,451	93,550	7,004	5,312	6,040	99,451	99,550	7,562	5,870	6,598
87,551	87,650	6,455	4,763	5,491	93,551	93,650	7,013	5,321	6,049	99,551	99,650	7,571	5,879	6,607
87,651	87,750	6,464	4,772	5,501	93,651	93,750	7,022	5,330	6,059	99,651	99,750	7,580	5,888	6,617
87,751	87,850	6,474	4,782	5,510	93,751	93,850	7,032	5,340	6,068	99,751	99,850	7,590	5,898	6,626
87,851	87,950	6,483	4,791	5,519	93,851	93,950	7,041	5,349	6,077	99,851	99,950	7,599	5,907	6,635
87,951	88,050	6,492	4,800	5,529	93,951	94,050	7,050	5,358	6,087	99,951	100,000	7,606	5,914	6,642
88,051	88,150	6,501	4,810	5,538	94,051	94,150	7,059	5,368	6,096	OVER \$100,000 YOU MUST FILE FORM 540 AND USE THE TAX RATE SCHEDULES				
88,151	88,250	6,511	4,819	5,547	94,151	94,250	7,069	5,377	6,105					
88,251	88,350	6,520	4,828	5,557	94,251	94,350	7,078	5,386	6,115					
88,351	88,450	6,529	4,837	5,566	94,351	94,450	7,087	5,395	6,124					

# 1999 California Tax Rate Schedules

**Caution:** Use only if your taxable income on Form 540, line 19 is more than \$100,000. If \$100,000 or less, use the Tax Table.

## Schedule X –

Use if your filing status is  
**Single or Married Filing Separate**

If the amount on Form 540, line 19 is:		Enter on Form 540, line 20		of the
over –	But not over –			amount over –
\$ 0	\$ 5,264	\$ 0.00	+ 1.0%	\$ 0
5,264	12,477	52.64	+ 2.0%	5,264
12,477	19,692	196.90	+ 4.0%	12,477
19,692	27,337	485.50	+ 6.0%	19,692
27,337	34,548	944.20	+ 8.0%	27,337
34,548	AND OVER	1,521.08	+ 9.3%	34,548

## Schedule Y –

Use if your filing status is  
**Married Filing Joint or Qualifying  
Widow(er) with Dependent Child**

If the amount on Form 540, line 19 is:		Enter on Form 540, line 20		of the
over –	But not over –			amount over –
\$ 0	\$ 10,528	\$ 0.00	+ 1.0%	\$ 0
10,528	24,954	105.28	+ 2.0%	10,528
24,954	39,384	393.80	+ 4.0%	24,954
39,384	54,674	971.00	+ 6.0%	39,384
54,674	69,096	1,888.40	+ 8.0%	54,674
69,096	AND OVER	3,042.16	+ 9.3%	69,096

## Schedule Z –

Use if your filing status is  
**Head of Household**

If the amount on Form 540, line 19 is:		Enter on Form 540, line 20		of the
over –	But not over –			amount over –
\$ 0	\$ 10,531	\$ 0.00	+ 1.0%	\$ 0
10,531	24,955	105.31	+ 2.0%	10,531
24,955	32,168	393.79	+ 4.0%	24,955
32,168	39,812	682.31	+ 6.0%	32,168
39,812	47,025	1,140.95	+ 8.0%	39,812
47,025	AND OVER	1,717.99	+ 9.3%	47,025

## How to Figure Tax Using the 1999 California Tax Rate Schedules

**Example:** Richard and Valerie Green are filing a joint return. Their taxable income on Form 540, line 19 is \$125,000.

**Step 1:** Using Schedule Y, they find the taxable income range that includes their taxable income of \$125,000. See the boxed range in the sample below.

If the amount on Form 540, line 19 is:		Enter on Form 540, line 20		of the
over –	But not over –			amount over –
\$ 0	\$ 10,528	\$ 0.00	+ 1.0%	\$ 0
10,528	24,954	105.28	+ 2.0%	10,528
24,954	39,384	393.80	+ 4.0%	24,954
39,384	54,674	971.00	+ 6.0%	39,384
54,674	69,096	1,888.40	+ 8.0%	54,674
69,096	AND OVER	3,042.16	+ 9.3%	69,096

## Schedule Y –

Use if your filing status is  
**Married Filing Joint or Qualifying  
Widow(er) with Dependent Child**

**Step 2:** They subtract the amount at the beginning of their range from their taxable income.

### Example

\$125,000  
- 69,096  
\$ 55,904

### Your Income

\$  
-  
\$

**Step 3:** They multiply the result from Step 2 by the percentage for their range.

\$55,904.00  
x .093  
\$ 5,199.07

\$  
x  
\$

**Step 4:** They round the amount from Step 3 to two decimals (if necessary) and add it to the tax amount for their income range. After rounding the result, they will enter \$8,241 on Form 540, line 20. For information on rounding, see page 6.

\$3,042.16  
+ 5,199.07  
\$8,241.23

\$  
+  
\$



# How To Get California Tax Information

(Keep This Booklet For Future Use)

## Where To Get Income Tax Forms

**By Internet** – If you have Internet access, you may download, view, and print California income tax forms and publications. Go to our website at:

[www.ftb.ca.gov](http://www.ftb.ca.gov)

**By phone** – To order 1997 – 1999 California tax forms and 1999 federal forms:

- Refer to the list on the next page and find the code number for the form you want to order.
- Call (800) 338-0505.
- Select personal income tax information.
- Select tax form requests.
- Enter the three-digit form code when you are instructed.

Please allow two weeks to receive your order. If you live outside California, please allow three weeks to receive your order.

**In person** – Most libraries, post offices, and banks provide free California tax booklets during the filing season. Many libraries and some quick print businesses have forms and schedules for you to photocopy (you may have to pay a nominal fee). Note that employees at libraries, post offices, banks, and quick print businesses cannot provide tax information or assistance.

**By mail** – Write to: TAX FORMS REQUEST UNIT, FRANCHISE TAX BOARD, PO BOX 307, RANCHO CORDOVA CA 95741-0307.

## Letters

If you write to us, be sure your letter includes your social security number, and your daytime and evening telephone numbers. Send your letter to:

FRANCHISE TAX BOARD  
PO BOX 942840  
SACRAMENTO CA 94240-0040

We will respond to your letter within six to eight weeks. In some cases, we may need to call you for additional information. Do not attach correspondence to your tax return unless the correspondence relates to an item on the return.

## Field Offices

You can get information, pick up California tax forms, and resolve problems on your account if you visit one of our field offices. FTB field office locations are open Monday through Friday from 8 a.m. to 5 p.m. The offices will remain open additional hours and days from January 15 through April 17, 2000. For the extended hours of the office nearest you, call (800) 338-0505, select personal income tax, then select general information, and enter code 110 when instructed.

Field Office	Address
Bakersfield	1800 30th St., Suite 370
Burbank	333 N. Glenoaks Blvd., Suite 200
Fresno	2550 Mariposa St., Room 3002
Long Beach	4300 Long Beach Blvd., Suite 700B
Los Angeles	300 S. Spring St., Suite 5704
Oakland	1515 Clay St., Suite 305
Sacramento	3321 Power Inn Rd., Suite 250
San Bernardino	464 W. 4th St., Suite 454
San Diego	5353 Mission Center Rd., Suite 314
San Francisco	455 Golden Gate Ave., Suite 7400
San Jose	96 N. Third St., 4th Floor
Santa Ana	600 W. Santa Ana Blvd., Suite 300
Santa Rosa	50 D St., Room 130
Stockton	31 East Channel St., Suite 219
Ventura	4820 McGrath St., Suite 270
West Covina	100 N. Barranca St., Suite 600

## General Toll-Free Phone Service

**Between January 3 –April 17, 2000**, our general toll-free phone service is available:

- Monday – Friday, 6 a.m. until midnight; and
- Saturdays and holidays, 7 a.m. until 4 p.m.

**After April 17, 2000**, our general toll-free phone service is available:

- Monday – Friday, 7 a.m. until 8 p.m.
- Saturdays, 7 a.m. until 4 p.m.

The best times to call are before 10 a.m. and after 6 p.m.

From within the United States . . . . . (800) 852-5711

From outside the United States (not toll-free) . . . . . (916) 845-6500

For federal tax questions, call the IRS at . . . . . (800) 829-1040

### Assistance for persons with disabilities

The FTB complies with provisions of the Americans with Disabilities Act.

Persons with a hearing or speech impairment call:

From voice phone (California Relay Service) . . . . . (800) 735-2922

From TTY/TDD (Direct line to FTB customer service) . . . (800) 822-6268

For all other assistance or special accommodations . . . . (800) 852-5711

**Large-print forms and instructions** – The 540 booklet is available in large print upon request and is also available on cassette tape. See “Where To Get Income Tax Forms” on this page.

### Asistencia bilingüe en español

Para obtener servicios en español y asistencia para completar su declaración de impuestos/formularios, llame al número de teléfono (anotado arriba) que le corresponde.

## Your Rights As A Taxpayer

Our goal at the FTB is to make certain that your rights are protected so that you will have the highest confidence in the integrity, efficiency, and fairness of our state tax system. FTB Pub. 4058, California Taxpayers’ Bill of Rights, includes information on your rights as a California taxpayer, the Taxpayers’ Rights Advocate Program, and how you can request written advice from the FTB on whether a particular transaction is taxable. See “Where To Get Income Tax Forms,” on this page.

## Privacy Act Notice

The Information Practices Act of 1977 and the federal Privacy Act require the Franchise Tax Board to tell you why we ask you for information. The Operations and Compliance Branches ask for tax return information to carry out the Personal Income Tax Law of the State of California. We may request additional information if we audit your return or take collection action.

If you meet the income requirements, the Revenue and Taxation Code requires you to file a return on the form we prescribe (Sections 18501 and 18621). When you file this or other documents, you must include your social security number for identification and return processing (Section 18624).

It is mandatory to furnish all information requested when you are required to file any documents prescribed by the Franchise Tax Board. If you do not file a return, or do not provide the information we ask for, or provide fraudulent information, the law states you may be charged penalties and interest and, in certain cases, you may be subject to criminal prosecution. We also may disallow claimed exemptions, exclusions, credits, deductions, or adjustments. This could make the tax higher or delay or reduce any refund.

We may give the information you furnish us to the United States Internal Revenue Service, the proper official of any state imposing an income tax or a tax measured by income, the Multistate Tax Commission, and California government agencies and officials, as provided by law. If you owe any monies, we may disclose the amount due to employers, financial institutions, county recorders, vacation trust funds, process agents, and other payers.

You have a right to access records containing your personal information maintained by the Franchise Tax Board. The officials responsible for maintaining the information are:

1) Filing of returns – Chief, Filing Division; 2) Auditing of returns – Chief, Audit Division; and 3) Collection of monies – Chief, Accounts Receivable Management Division. The address is:

FRANCHISE TAX BOARD  
PO BOX 942840  
SACRAMENTO CA 94240-1040

Telephone: Within the United States . . . . . (800) 852-5711  
Outside the United States (not toll-free) . . . . . (916) 845-6500



# Automated Toll-Free Phone Service

Our automated toll-free phone service is available 24 hours a day, 7 days a week, in English and Spanish to callers with touch-tone telephones. You can:

- Order California and federal income tax forms;
- Get current year tax refund information;
- Get balance due and payment information; and
- Hear recorded answers to many of your questions about California taxes.

Have paper and pencil ready to take notes.

Call from within the

United States . . . . . (800) 338-0505

Call from outside the

United States (not toll-free) . . . (916) 845-6600

## Order Forms

If your current address is on file, you can order current and prior year California tax forms. You can also order current year federal tax forms between January 3 and April 17. See the following list of forms and follow the instructions for ordering forms on the previous page.

### Code California Tax Forms and Publications

- 900 California Resident Income Tax Booklet: Form 540, Resident Income Tax Return
- Form 540A, Resident Income Tax Return
- Form 540EZ, Resident Income Tax Return For Single and Joint Filers With No Dependents
- 903 Schedule CA (540), California Adjustments: FTB 3885A, Depreciation & Amortization Adjustments
- Schedule D, California Capital Gain or Loss Adjustment
- 969 Large print 540 Booklet (current year only)
- 970 540 Booklet on cassette (current year only)
- 907 540-ES, Estimated Tax for Individuals
- 908 540X, Amended Individual Income Tax Return
- 909 Schedule D-1, Sales of Business Property
- 910 Schedule G-1, Tax on Lump-Sum Distribution
- 911 Schedule P (540), Alternative Minimum Tax and Credit Limitations – Residents
- 913 Schedule S, Other State Tax Credit
- 914 California Nonresident Income Tax Booklet: Form 540NR, Nonresident or Part-Year Resident Income Tax Return
- 917 Schedule CA (540NR), California Adjustments – Nonresidents or Part-Year Residents
- 918 Schedule P (540NR), Alternative Minimum Tax and Credit Limitations – Nonresident or Part-Year Residents
- 937 FTB 3516, Request for Copy of Personal Income Tax or Fiduciary Return
- 921 FTB 3519, Payment Voucher for Automatic Extension for Individuals
- 922 FTB 3525, Substitute for W-2 Wage and Tax Statement. . .
- 923 FTB 3526, Investment Interest Expense Deduction
- 966 FTB 3533, Change of Address
- 940 FTB 3540, Credit Carryover Summary
- 949 FTB 3567, Installment Agreement Request
- 924 FTB 3800, Tax Computation for Children with Investment Income
- 929 FTB 3801, Passive Activity Loss Limitations
- 930 FTB 3803, Parents' Election to Report Child's Interest and Dividends
- 925 FTB 3805E, Installment Sale Income
- 928 FTB 3805P, Additional Taxes from Qualified Retirement Plans
- 926 FTB 3805V, Net Operating Loss (NOL) — Individuals
- 901 FTB 3805Z, Enterprise Zone Businesses
- 927 FTB 5805, Underpayment of Estimated Tax
- 919 FTB Pub. 1001, Supplemental Guidelines to California Adjustments
- 920 FTB Pub. 1005, Pension and Annuity Guidelines

- 945 FTB Pub. 1006, California Tax Forms and Related Federal Forms
- 946 FTB Pub. 1008, Federal Tax Adjustments and Your Notification Responsibilities
- 943 FTB Pub. 4058, California Taxpayers' Bill of Rights
- 941 FTB Pub. 1031, Guidelines for Determining Resident Status
- 942 FTB Pub. 1032, Tax Information for Military Personnel
- 951 FTB Pub. 1051A, Guidelines for Married Filing Separate Returns
- 934 FTB Pub. 1540, California Head of Household Filing Status Information

### Code Federal Tax Forms (1/3/00 – 4/17/00)

- 902 1040 Booklet (with Schedules A, B, D, & E; Forms 1040V, EIC, and 2441)
- 904 1040A Booklet (with Schedule 1; Form EIC)
- 915 1040EZ Booklet
- 906 Form 1040X, Amended U.S. Individual Income Tax Return
- 931 Form 1040-ES, Estimated Tax for Individuals
- 935 Publication 17, Your Federal Income Tax for Individuals
- 912 Form 2106, Employee Business Expenses
- 932 Form 4562, Depreciation and Amortization
- 916 Schedule C, Profit or Loss from Business
- 905 Schedule SE, Self-Employment Tax

## Current Year Refund Information

You should wait at least 8 weeks after you file your tax return before you call to find out about your refund. You will need your social security number, the numbers in your street address, box number, or route number, and your ZIP Code to use this service.

## Balance Due And Payment Information

You should wait at least 45 days from the date you mailed your payment before you call to verify receipt of your payment. You will need your social security number, the numbers in your street address, box number, or route number, and your ZIP Code to use this service.

## Answers To Tax Questions

Call our automated phone service, select personal income tax information, then general information, and enter the 3-digit question code.

### Code Filing Assistance:

- 100 Do I need to file a return?
- 111 Which form should I use?
- 112 How do I file electronically and get a fast refund?
- 200 Where can I pick up a form today?
- 201 How can I get an extension to file?
- 202 There is no envelope in the booklet. Where do I send my return?
- 203 What is and how do I qualify for the nonrefundable renter's credit?
- 204 I never received a Form W-2. What do I do?
- 205 I have no withholding taken out. What do I do?
- 206 Do I have to attach a copy of my federal return?
- 207 Should I file my return even though I do not have the money to pay?
- 208 How do I figure my estimated tax payments?
- 209 I lived in California for part of the year. Do I have to file a return?
- 210 I do not live in California. Why do I have to file a return?
- 211 How do I figure my IRA deduction?
- 212 How do I claim my disaster related loss?
- 215 Who qualifies me to use the head of household filing status?

## (Keep This Booklet For Future Use)

- 216 I'm due a refund. Do I still need to file a return?
- 217 I am currently/was in the military. Do I have to file a California return?
- 218 I'm in the military. Do I have to use the same filing status as federal?
- 219 I sold my personal residence. How do I report the sale to California?
- 220 There is no difference in my state and federal depreciation, business income and capital gain income. What do I do?
- 221 What is community property?
- 222 How much can I deduct for vehicle license fees?
- 227 How do I get a refund of excess SDI?
- 239 Where can I get help with preparing and filing my income tax return?
- 240 Does a tax return have to be filed for a deceased taxpayer?

### Refunds

- 300 My spouse passed away. You sent a refund with both our names on it. What do I do?
- 301 I got a letter saying you sent my refund to another agency. Why?

### Penalties

- 400 I have an extension of time to file my return. Why did I get a penalty?
- 401 I filed my return on time. Why did I get a penalty?
- 402 How can I protest a penalty?
- 403 What is the estimate penalty rate?

### Notices And Bills

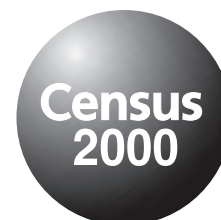
- 500 I received a bill and I cannot pay it in full. What do I do?
- 501 Why didn't you give me credit for my withholding?
- 502 You didn't give me credit for my dependent. What do I do?
- 504 I'm head of my house. Why was I denied head of household filing status?
- 505 Why was my IRA deduction denied?
- 506 How can I get information about my Form 1099-G?
- 508 I received a notice that didn't show all payments made. How do I get credit for them?

### Tax For Children

- 601 Can my child take a personal exemption credit when I claim her or him as a dependent on my return?
- 602 Federal law limits the standard deduction. Is the state law the same?

### Miscellaneous

- 610 Can I pay my taxes with a credit card?
- 611 What address do I send my payment to?
- 612 I mailed my return and haven't heard anything. Should I send a copy of my return?
- 613 I forgot to attach my Form(s) W-2 when I mailed my return. What do I do?
- 614 I forgot to attach a copy of my federal return. What do I do?
- 615 How do I get a copy of my state tax return?
- 616 What should I do if my federal tax return was examined and changed by the IRS?
- 617 What are the current interest rates?
- 619 How do I report a change of address?



. . . see page 2.